

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 ("FSMA") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document which comprises a prospectus relating to Liontrust ESG Trust PLC (the "**Company**"), has been approved by the Financial Conduct Authority (the "**FCA**") under the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Prospectus (Amendment, etc) (EU Exit) Regulations 2019 (the "**Prospectus Regulation**") and has been delivered to the FCA in accordance with the Rule 3.2 of the Prospectus Regulation Rules. This Prospectus has been made available to the public as required by the Prospectus Regulation Rules.

This Prospectus has been approved by the FCA of 12 Endeavour Square, London E20 1JN as the competent authority under the Prospectus Regulation. Contact information relating to the FCA can be found at <http://www.fca.org.uk/contact>.

The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in securities.

Applications will be made for all of the Shares, issued and to be issued pursuant to the Issue (including the Initial Issue and any Subsequent Placing) to be admitted to the premium segment of the Official List of the FCA and to be admitted to trading on the premium segment of the London Stock Exchange's main market. It is expected that Admission will become effective and that dealings for normal settlement in the Shares will commence on 5 July 2021 in respect of Initial Admission, and in the period from that date to 25 May 2022 in respect of any Subsequent Admissions.

The Company and each of the Directors, whose names appear on page 32 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

The Investment Manager accepts responsibility for the information in paragraph 6 of Part 1 (Sustainable Future Investment Strategy), paragraph 10 of Part 1 (Sustainability Reporting and Other Initiatives), Part 2 (Background to the Sustainable Future Investment Strategy and Outlook), Part 3 (The Investment Manager's Sustainable Future Investment Process), paragraph 3 of Part 4 (The Investment Manager) and paragraph 11.3 of Part 8 (General) of this Prospectus, and declares that such information is, to the best of its knowledge, in accordance with the facts and those Parts of this Prospectus make no omission likely to affect their import.

Prospective investors should read the entire Prospectus and, in particular, the section headed "Risk Factors" when considering an investment in the Company.

LIONTRUST ESG TRUST PLC

(Incorporated in England and Wales with company no. 13327791 and registered as an investment company under section 833 of the Companies Act 2006)

INITIAL PLACING, OFFER FOR SUBSCRIPTION AND INTERMEDIARIES OFFER FOR A TARGET ISSUE OF 150 MILLION ORDINARY SHARES AT 100 PENCE PER ORDINARY SHARE

and

PLACING PROGRAMME OF ORDINARY SHARES AND/OR C SHARES

AIFM

Liontrust Fund Partners LLP

Investment Manager

Liontrust Investment Partners LLP

Sponsor, Financial Adviser and Placing Agent

Winterflood Securities Limited

Winterflood Securities Limited ("**Winterflood**") is authorised and regulated in the United Kingdom by the FCA and is acting as sponsor, financial adviser and placing agent for the Company and for no-one else in connection with the Issue, each Admission, the contents of this Prospectus or any matters referred to in this Prospectus. Winterflood will not be responsible to anyone other than the Company for providing the protections afforded to customers of Winterflood or for affording advice in relation to the Issue, each Admission, the contents of this Prospectus or any matters referred to in this Prospectus. Winterflood is not responsible for the contents of this Prospectus. This does not exclude any responsibilities which Winterflood may have under FSMA or the regulatory regime established thereunder.

Apart from the liabilities and responsibilities (if any) which may be imposed on Winterflood by FSMA or the regulatory regime established thereunder, neither Winterflood, its affiliates, officers, directors, employees or agents make any representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Initial Issue, the Placing Programme, any Admission or any other matters referred to in this Prospectus and nothing in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Winterflood and its affiliates, officers, directors, employees or agents accordingly disclaim all and any responsibility or liability (save for any statutory liability), whether arising in tort, contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

In considering whether to apply for Shares, you should rely only on information contained in this Prospectus. Recipients of this Prospectus acknowledge that: (i) they have not relied on the Company, the AIFM, the Investment Manager or Winterflood or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied only on the information contained in this Prospectus and that no person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the AIFM, the Investment Manager or Winterflood. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and paragraph 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor any subscription for Shares made pursuant to this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained in this Prospectus is correct at any time subsequent to, the date of this Prospectus. No statement in this Prospectus is intended as a profit forecast.

The Offer for Subscription and the Intermediaries Offer will remain open until 11.00 a.m. and 5.00 p.m., respectively, on 29 June 2021. The Placing will remain open until 2.00 p.m. on 30 June 2021. Persons wishing to participate in the Offer for Subscription should complete the Application Form set out as the Appendix to this Prospectus. To be valid, Application Forms must be completed and returned with the appropriate remittance by post, or by hand (during normal business hours only), to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, as soon as possible and in any event so as to be received no later than 11.00 a.m. on 29 June 2021.

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act (“**Regulation S**”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

The Company is not and does not intend to become an “investment company” within the meaning of the US Investment Company Act of 1940, as amended (the “**US Investment Company Act**”). Accordingly, the Company has not been, and will not be, registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. In addition, neither the AIFM nor the Investment Manager is registered as an investment adviser under the US Investment Advisers Act of 1940, as amended (the “**US Investment Advisers Act**”) and neither the Company nor investors will be entitled to the benefits of the US Investment Advisers Act.

This Prospectus must not be distributed into the United States or to US Persons. The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, or any other securities commission or regulatory authority in the United States. None of the foregoing authorities have passed upon or endorsed the merits of the offering of the Shares or approved this Prospectus or confirmed the accuracy or adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Shares in any jurisdiction where such offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM, the Investment Manager or Winterflood. The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exemptions, the Shares may not be offered to or sold within Australia, Canada, the Republic of South Africa or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan.

Capitalised terms have the meanings ascribed to them in Part 11 (Definitions) of this Prospectus.

Without limitation, neither the contents of the Company’s, the AIFM’s or the Investment Manager’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s, the AIFM’s or the Investment Manager’s website (or any other website) is incorporated into, or forms part of, this Prospectus.

Dated: 26 May 2021

TABLE OF CONTENTS

SUMMARY	4
RISK FACTORS	11
IMPORTANT NOTICES	21
EXPECTED TIMETABLE	29
ISSUE STATISTICS	30
DEALING CODES	31
DIRECTORS AND ADVISERS	32
PART 1 INFORMATION ON THE COMPANY	34
PART 2 BACKGROUND TO THE SUSTAINABLE FUTURE INVESTMENT STRATEGY AND OUTLOOK	44
PART 3 THE INVESTMENT MANAGER'S SUSTAINABLE FUTURE INVESTMENT PROCESS	55
PART 4 DIRECTORS, MANAGEMENT AND ADMINISTRATION	62
PART 5 THE INITIAL ISSUE	68
PART 6 THE PLACING PROGRAMME	74
PART 7 UK TAXATION	78
PART 8 ADDITIONAL INFORMATION	81
PART 9 TERMS AND CONDITIONS OF APPLICATION UNDER THE INITIAL PLACING AND ANY SUBSEQUENT PLACING UNDER THE PLACING PROGRAMME	104
PART 10 TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION UNDER THE INITIAL ISSUE	114
PART 11 DEFINITIONS	124
APPENDIX APPLICATION FORM	130

SUMMARY

1.	Introduction and warnings
a.	Name and ISIN of securities
	<p>Ordinary Shares TIDM: ESGT ISIN: GB00BMBVPL14 C Shares ISIN: GB00BMBVPM21</p>
b.	Identity and contact details of the issuer
	<p>Name: Liontrust ESG Trust PLC (the “Company”) (incorporated in England and Wales with registered number 13327791) Registered Office: The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF Tel: +44 (0) 207 409 0181 Legal Entity Identifier (LEI): 213800L8G9AC34HYZ922</p>
c.	Identity and contact details of the competent authority
	<p>Name: Financial Conduct Authority Address: 12 Endeavour Square, London, E20 1JN, United Kingdom Tel: +44 (0) 20 7066 1000</p>
d.	Date of approval of the prospectus
	26 May 2021
e.	Warnings
	<p>This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on a consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the securities.</p>
2.	Key information on the issuer
a.	Who is the issuer of the securities?
i.	<p><i>Domicile and legal form, LEI, applicable legislation and country of incorporation</i> The Company is a public limited company, registered and incorporated in England and Wales under the Companies Act 2006 (the “Act”) on 12 April 2021 with registered number 13327791. The Company's LEI is 213800L8G9AC34HYZ922. The Company is registered as an investment company under section 833 of the Act and carries on its activities as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.</p>
ii.	<p><i>Principal activities</i> The principal activity of the Company is to invest in a diversified portfolio of Sustainable Companies comprising predominantly quoted equity securities.</p>
iii.	<p><i>Investment objective</i> The Company's investment objective is to deliver to Shareholders a total return over the long term (five years or more) by investing globally in Sustainable Companies.</p>

iv.	<p>Major Shareholders</p> <p>As at the date of this Prospectus, insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights.</p> <p>Pending the issue of Ordinary Shares pursuant to the Initial Issue the Company will be controlled by the AIFM.</p> <p>Save as described above, the Company and the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company. All Shareholders have the same voting rights in respect of shares of the same class in the share capital of the Company.</p>
v.	<p>Directors</p> <p>Richard Laing (Chair), Clare Brook, Sarah Ing and Kunle Olafare.</p>
vi.	<p>Statutory auditors</p> <p>BDO LLP</p>
b.	<p>What is the key financial information regarding the issuer?</p> <p>The Company is newly incorporated and has no historical financial information.</p>
c.	<p>What are the key risks that are specific to the issuer?</p> <ul style="list-style-type: none"> • The Company has no operating history and prospective investors have no historical financial statements or other meaningful operating or financial data from which prospective investors may base an evaluation of the likely performance of the Company. • There can be no guarantee that the Company will achieve its investment objective or that investors will get back the amount of their original investment. • The Company has no employees and is reliant on the performance of third party service providers. Failure by the AIFM, the Investment Manager or any other third party service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company. • The Company depends on the diligence, skill and judgement of the Investment Manager's investment professionals and the information they generate and communicate to the Company during the normal course of their activities. • The Company's focus on environmental, social and governance ("ESG") related companies, issuers and securities as well as its screening processes mean that the universe of investable securities is more limited than would otherwise be the case. The Company may also be exposed to investment risks caused by environmental events, including climate events which are exacerbated by climate change, such as hurricanes, drought, wildfires, earthquakes or floods. It might also be exposed to investments located in areas that are more susceptible to such climate change risks or vulnerable to those climate related events. • Any change in the Company's tax status or in taxation legislation or practice may adversely affect the Company or the tax treatment for Shareholders investing in the Company.
3.	<p>Key information on the securities</p>
a.	<p>What are the main features of the securities?</p>
i.	<p>Type, class and ISIN of the securities being admitted to trading on a regulated market</p> <p>The securities that may be issued under the Issue are Ordinary Shares of 1 penny each and C Shares of 10 pence each in the capital of the Company.</p> <p>The ISIN of the Ordinary Shares is GB00BMBVPL14. The ISIN of the C Shares is GB00BMBVPM21.</p>

ii.	<p><i>Currency, denomination, par value, number of securities issued and term of the securities</i></p> <p>The Ordinary Shares are denominated in Sterling and have a nominal value 1 penny each. The Issue Price of the Ordinary Shares under the Initial Issue is 100 pence. The Placing Programme Price is not known at the date of this Prospectus, but will not be less than the prevailing NAV per Ordinary Share at the time of issue plus a premium to cover the costs and expenses of such issue.</p> <p>The C Shares are denominated in Sterling and have nominal value 10 pence each. No C Shares are being issued under the Initial Issue. The issue price of the C Shares that may be issued under the Placing Programme is 100 pence.</p> <p>The maximum number of Ordinary Shares to be issued under the Initial Issue is 250 million. Up to 250 million Shares, being Ordinary Shares and/or C Shares, may be issued under the Placing Programme. The Shares have no fixed term.</p>
iii.	<p><i>Rights attached to the securities</i></p> <p>Holders of Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Shares.</p> <p>On a winding-up or a return of capital by the Company: (i) holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to C Shares (if any) in issue; and (ii) holders of C Shares shall be entitled to receive an amount calculated in accordance with the Articles as being, broadly, the net assets attributable to each relevant class of C Shares divided by the number of C Shares of each such class.</p> <p>Holders of Shares will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Share held.</p> <p>The Shares are not redeemable.</p> <p>The consent of the holders of each class of Shares will be required for the variation of any rights attached to the relevant class of Shares.</p>
iv.	<p><i>Relative seniority of the securities in the event of insolvency</i></p> <p>On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to the C Shares (if any) in issue.</p>
v.	<p><i>Restrictions on free transferability of the securities</i></p> <p>There are no restrictions on the free transferability of the Shares, subject to compliance with applicable securities laws and the restrictions on transfer contained in the Articles.</p> <p>Under the Articles, the Directors may refuse to register the transfer of a Share in certificated form which is not fully paid, or a Share in uncertificated form where they are entitled to refuse to register the transfer under the CREST Regulations, provided that such refusal does not prevent dealings in the Shares from taking place on an open and proper basis.</p> <p>The Directors may also refuse to register a transfer of a Share in certificated form unless the instrument of transfer:</p> <ul style="list-style-type: none"> (a) is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the Share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; (b) is in respect of only one class of Share; and (c) is not in favour of more than four transferees.

	There are also certain limited circumstances in which the Directors may, under the Articles and subject to certain conditions, compulsorily require the transfer of Shares.
vi.	<p><i>Dividend policy</i></p> <p>It is anticipated that the majority of Shareholder returns will be generated through capital appreciation rather than income distribution. Accordingly, the Company does not have any dividend targets but will pay out its income as required by applicable law. The Company intends to pay dividends on an annual basis.</p> <p>In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those Regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.</p>
b.	<p>Where will the securities be traded?</p> <p>Applications will be made to the FCA for all of the Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the premium segment of the London Stock Exchange's main market.</p>
c.	<p>What are the key risks that are specific to the securities?</p> <ul style="list-style-type: none"> • The value of an investment in the Company, and the returns derived from it, may go down as well as up and an investor may not get back the amount invested. The market price of the Shares, like shares in all investment companies, may fluctuate independently of their underlying NAV and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Shares, market conditions and general investor sentiment. • There can be no guarantee that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying NAV. Accordingly, Shareholders may be unable to realise all or part of their investment at such NAV or at all. • The Company may issue new equity in the future pursuant to the Placing Programme or otherwise. Any further issues of Shares may dilute the voting rights and economic interests of existing Shareholders that do not participate pro-rata in the future issue of Shares.
4.	Key information on the admission to trading on a regulated market
a.	Under which conditions and timetable can I invest in this security?
i.	<p><i>General terms and conditions</i></p> <p>The Company may issue up to 250 million Ordinary Shares pursuant to the Initial Issue and up to a further 250 million Shares, being Ordinary Shares and/or C Shares, pursuant to the Placing Programme. The Initial Issue opens on publication of this Prospectus and will close on 30 June 2021. The Placing Programme opens on the date of Initial Admission and will close on 25 May 2022 (or, if earlier, such date on which all of the Shares available for issue under the Placing Programme have been issued or as determined by the Directors).</p> <p>The Intermediaries authorised as at the date of this Prospectus to use this Prospectus are:</p> <p>AJ Bell Securities Limited;</p> <p>Hargreaves Lansdown Nominees Limited;</p> <p>Interactive Investor Services Limited; and</p> <p>PrimaryBid Limited.</p> <p>The Initial Issue is conditional, inter alia, on: (i) Initial Admission occurring by 8.00 a.m. on 5 July 2021 (or such later date, not being later than 30 July 2021, as the Company and Winterflood may agree); (ii) the Placing Agreement becoming otherwise unconditional in all respects in relation to the Initial Issue and not having been terminated in accordance with its terms prior to Initial Admission; and (iii) the Minimum Gross Proceeds (or such lesser amount as the Company and Winterflood may agree) being raised.</p>

	<p>If the Minimum Gross Proceeds, or such lesser amount as the Company and Winterflood in their absolute discretion may decide, are not raised, the Initial Issue will not proceed and application monies received under the Initial Issue will be returned to applicants without interest at the applicants' risk.</p> <p>Ordinary Shares are available in the Initial Issue at the Issue Price.</p> <p>Each allotment and issue of Shares under the Placing Programme is conditional, inter alia, on: (i) the Placing Programme Price being determined by the Directors as described below; (ii) Admission of the Shares being issued pursuant to such issue; (iii) the Placing Agreement becoming otherwise unconditional in all respects in relation to the relevant Subsequent Placing and not having been terminated on or before the date of the relevant Admission; (iv) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation; and (v) the Company having in place appropriate Shareholder authorities to issue such Shares.</p> <p>In circumstances where these conditions are not fully met, the relevant Subsequent Placing pursuant to the Placing Programme will not take place.</p> <p>The Placing Programme Price will be determined by the Company and, in the case of Ordinary Shares, will be not less than the prevailing published Net Asset Value, in Sterling, per Ordinary Share at the time of announcement of the Issue plus a premium to cover the costs and expenses of such issue. The Placing Programme Price in respect of C Shares will be 100 pence per C Share.</p>
ii.	<p><i>Details of admission to trading on a regulated market</i></p> <p>Applications will be made to the FCA for all of the Shares to be issued pursuant to the Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the premium segment of the London Stock Exchange's main market.</p>
iii.	<p><i>Plan for distribution</i></p> <p>The Company is targeting an issue of 150 million Ordinary Shares. The Ordinary Shares will be made available for subscription by way of the Initial Placing, the Offer for Subscription and the Intermediaries Offer. The maximum number of Ordinary Shares to be issued under the Initial Issue is 250 million Ordinary Shares.</p> <p>Following completion of the Initial Issue, the Company may (subject to the appropriate Shareholder authorities remaining in place) issue up to an aggregate of 250 million Shares, being Ordinary Shares and/or C Shares, pursuant to the Placing Programme without first offering those Shares to existing Shareholders. The number of Shares available under the Placing Programme is intended to be flexible and should not be taken as an indication of the number of Shares that will be issued.</p> <p>Any issues of Shares will be notified by the Company through a Regulatory Information Service and the Company's website, prior to each Admission.</p>
iv.	<p><i>Amount and percentage of immediate dilution resulting from the issue</i></p> <p>The Initial Issue will not result in dilution.</p> <p>Assuming the maximum of 250 million Ordinary Shares are issued pursuant to the Initial Issue, if the maximum of 250 million Shares are then issued pursuant to the Placing Programme, for those Shareholders that do participate in any of the Subsequent Placing(s) there would be a dilution of approximately 50 per cent. in Shareholders' ownership and voting interests in the Company immediately after the Placing Programme. The voting rights may be diluted further on conversion of any C Shares depending on the applicable conversion ratio.</p>
v.	<p><i>Estimate of the total expenses of the issue</i></p> <p>The Company is bearing fixed costs of up to 2 per cent. of the Gross Proceeds equivalent to approximately £3 million (assuming Gross Proceeds of £150 million) in connection with the Initial Issue and the publication of the Prospectus.</p>

	<p>The net proceeds of the Initial Issue are dependent on the number of Ordinary Shares issued.</p> <p>The net proceeds of the Placing Programme are dependent on the number of Shares issued and the relevant Placing Programme Price(s). The costs and expenses of each issue of Shares pursuant to the Placing Programme will depend on subscriptions received. The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing are expected to be covered by issuing such Ordinary Shares at a minimum price of the prevailing published NAV per Ordinary Share at the time of issue plus a premium to cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions). The costs of any issue of C Shares will be allocated solely to the relevant class of C Shares.</p>
vi.	<p><i>Estimated expenses charged to the investor</i></p> <p>The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be 2 per cent. of the Gross Proceeds equivalent to approximately £3 million, assuming Gross Proceeds of £150 million. The costs will be deducted from the Gross Proceeds and it is expected that the starting Net Asset Value per Ordinary Share will be at least 98 pence. The Company has agreed with the AIFM that the AIFM will contribute to the costs of the Initial Issue such that the Net Asset Value per Ordinary Share at Initial Admission will not be less than 98 pence. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue.</p> <p>All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.</p> <p>The costs and expenses of each issue of Shares pursuant to a Subsequent Placing under the Placing Programme will depend on subscriptions received. In the event 5 million Shares are issued pursuant to a Subsequent Placing each at a Placing Programme Price of 100 pence, the costs and expenses of that Subsequent Placing are not expected to exceed 2 per cent. of the proceeds of the Subsequent Placing. The costs of any issue of Ordinary Shares are expected to be covered by issuing such Ordinary Shares at a premium to the prevailing published Net Asset Value per Ordinary Share at the time of issue. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.</p>
b.	<p>Why is this prospectus being produced?</p>
i.	<p><i>Reasons for the Initial Issue and the Placing Programme</i></p> <p>The Initial Issue is being made in order to provide investors with the opportunity to invest in a diversified portfolio of Sustainable Companies. Sustainable Companies are those that the Investment Manager believes will capitalise on and help drive the key structural growth trends that will shape the sustainable global economy of the future; will provide or produce sustainable products and services; and have a progressive approach to the management of environmental, social and governance issues.</p> <p>Subsequent Placings will be made under the Placing Programme to the extent that the Board, as advised by the AIFM and the Investment Manager, continues to believe that there are attractive opportunities for the Company to deliver returns for Shareholders through investment in Sustainable Companies in accordance with its investment policy.</p>
ii.	<p><i>The use and estimated net amount of the proceeds</i></p> <p>The Gross Proceeds will be utilised to meet the costs and expenses of the Initial Issue and to make investments in accordance with the Company's investment policy.</p> <p>The net proceeds of the Initial Issue depends upon the number of Ordinary Shares issued pursuant to the Initial Issue and is not known as at the date of this Prospectus, but will be notified by the Company via a Regulatory Information Service prior to Admission.</p>

	<p>The Directors intend to use the net proceeds of any Subsequent Placing under the Placing Programme to acquire investments in accordance with the Company's investment policy.</p> <p>The net proceeds of the Placing Programme are dependent on the number of Shares issued and the relevant Placing Programme Price(s).</p>
iii.	<p><i>Underwriting</i></p> <p>The Issue is not being underwritten.</p>
iv.	<p><i>Material conflicts of interest</i></p> <p>There are no interests that are material to the Issue and no conflicting interests.</p>

RISK FACTORS

Any investment in the Company should not be regarded as short-term in nature and involves a degree of risk. Accordingly, investors should consider carefully all of the information set out in this Prospectus and the risks attaching to an investment in the Company, including, in particular, the risks described below. An investment in the Shares is suitable for institutional investors, professionally advised private investors and retail investors who: (i) understand the risk of capital loss; (ii) understand that there may be limited liquidity in the underlying investments of the Company and in the Shares; (iii) understand and are capable of evaluating the merits and risks of such an investment; and (iv) have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment.

The Directors believe that the risks described below are the material risks relating to the Shares at the date of this Prospectus. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem immaterial at the date of this Prospectus, may also have an adverse effect on the performance of the Company and the value of the Shares. Investors should review the Prospectus carefully and in its entirety and consult with their professional advisers before making an application to participate in the Issue.

A. RISKS RELATING TO THE COMPANY

The Company is a newly formed company with no operating history

The Company was incorporated on 12 April 2021. The Company has not commenced operations and has no operating history. No historical financial statements or other meaningful operating or financial data upon which prospective investors may base an evaluation of the likely performance of the Company have been made up. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

The Company has no employees and is reliant on the performance of third party service providers

The Company has no employees and the Directors have all been appointed on a non-executive basis. Therefore, the Company is reliant upon the performance of third party service providers for its executive function. In particular, the AIFM, the Investment Manager and the Depositary will be performing services which are integral to the operation of the Company. Failure by any of these or any other service provider to carry out its obligations to the Company in accordance with the terms of its appointment, together with a failure by the Company to enforce such terms, could have a materially detrimental impact on the operation of the Company.

The performance of the Company will depend upon the performance of the underlying portfolio

The Company can offer no assurances that the investments made by the Company in accordance with its investment policy will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained in other investments.

The effects of both normal market fluctuations and potential economic crises may impact the Company's business, operating results or financial condition

The Company may experience fluctuations in its operating results due to fluctuations in markets generally, which may be considered normal or may be the result of a financial or economic crisis or other macroeconomic shock. The Company's results may be affected in these circumstances by, for example, changes in the values of investments made by the Company, changes in operating expenses, and general economic and market conditions (including changes to interest rates, credit spreads, equity risk premium, inflation and bond ratings, changes in laws or regulations, national and international political circumstances as well as the general market pricing of similar investments).

Such variability may lead to volatility in the trading price of the Shares and cause the Company's results for a particular period not to be indicative of its performance in a future period and this may materially

adversely affect the performance of the Company, the NAV, the Company's earnings and returns to Shareholders.

Brexit

The process of the United Kingdom leaving the European Union was completed on 31 December 2020 ("**Brexit**"). Brexit has set in train a sustained period of uncertainty both in the United Kingdom and the European Union. As a result investors face a degree of ongoing uncertainty and potential risks regarding, inter alia, the United Kingdom and European economies, currency movements, volatility in the UK and global markets and the financial services regulatory regime to which the Company is currently subject in the United Kingdom. While the full impact of Brexit continues to evolve, this prolonged uncertainty regarding aspects of the United Kingdom and European economy could damage customers' and investors' confidence which could result in a material adverse effect on the Company's profitability, NAV and the price of the Shares.

There can be no assurance that the foregoing developments will not have a negative effect on the Company's ability to achieve its investment objective or on its Investments in the United Kingdom and Europe. For example, currency volatility may mean that the returns of the Company are adversely affected by market movements and may make it more difficult, or more expensive, for the Company to execute prudent currency hedging policies. A potential decline in the value of Sterling and/or the Euro against other currencies, along with the potential downgrading of the United Kingdom's sovereign credit rating, may also have an impact on the performance of the Company. There is also a possibility of reduced liquidity around some securities held by the Company.

While these risks may have an adverse effect on the Investments, and the Investment Manager's business, the Investment Manager and the Company will use their best efforts to ensure that any impact to the Company is limited to the minimum possible. However, it remains difficult to predict the overall impact that Brexit will have on the Company at this point. The Company will take into account the stability of financial markets and the interests of Shareholders when considering any decisions in respect of Brexit.

The Company's financial performance and prospects may be adversely affected by Covid-19, the long-term impact of which is currently unknown

On 11 March 2020, the World Health Organisation announced that the outbreak of Covid-19 (commonly referred to as Coronavirus) had been declared a global pandemic. The long-term impacts of the outbreak are unknown and rapidly evolving. A continued widespread health crisis could adversely affect the UK and global economies, resulting in a continuing substantial decline in financial markets. The future development of the outbreak is highly uncertain and there is no assurance that the outbreak will not have a material adverse impact on the future results of undertakings and funds that are directly or indirectly comprised within the Company's portfolio and on the Company itself. The extent of the impact will depend on the continued range of the virus, infection rates, the severity and mortality rates of the virus, the deployment and efficacy of vaccines, the steps taken nationally and globally to prevent the spread of the virus as well as fiscal and monetary stimuli offered by the UK government and governments globally. Covid-19 may have a material and lasting effect on the market for, and performance of, investments in the Sustainable Futures universe. Furthermore, uncertainties surrounding the impact of Covid-19 may have a material impact on the ability of the Company to accurately value its Investments and may have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Cyber security risk

The Company and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the Directors, the Company, the AIFM, the Investment Manager, the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses,

including: by interference with the Company's ability to calculate its Net Asset Value; impediments to trading for the Company's portfolio; the inability of Shareholders to sell their Shares; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which the Company invests, counterparties with which the Company engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information security management systems and business continuity plans have been developed which are designed to mitigate the risks associated with cyber security, there are inherent limitations in any cyber security risk management system or business continuity plan, including the possibility that certain risks have not been identified.

B. RISKS RELATING TO THE AIFM AND THE INVESTMENT MANAGER

The Company depends on the diligence, skill and judgement of the Investment Manager's investment professionals

The Company depends on the diligence, skill and judgement of the Investment Manager's investment professionals and the information they generate and communicate to the Company during the normal course of their activities. The Company's future success depends on the continued service of these individuals (or their replacements from time to time) who are not obligated to remain employed with the Investment Manager, and the Investment Manager's ability to recruit, retain and motivate new talented personnel. However, the Investment Manager may not be successful in its efforts to recruit, retain and motivate the required personnel as the market for qualified investment professionals is competitive. The Investment Manager's inability to recruit, retain and motivate the required personnel may have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

There can be no assurance that the Company will be able to find a replacement Alternative Investment Fund Manager and/or Investment Manager if the AIFM and/or Investment Manager resigns or becomes insolvent

Under the AIFM Agreement, the AIFM may resign on 6 months' notice, such notice not to expire prior to the third anniversary of Initial Admission. Under the Investment Management Agreement, the Investment Manager may resign on 12 months' notice. The Investment Management Agreement automatically terminates upon the termination of the AIFM Agreement. The AIFM and the Investment Manager shall, from the date any such resignation takes effect, cease to provide AIFM services and portfolio management services respectively in respect of the Company. Both the AIFM Agreement and the Investment Management Agreement can also be terminated if the AIFM or the Investment Manager respectively becomes the subject of insolvency proceedings. In both of these circumstances a replacement Alternative Investment Fund Manager and/or investment manager, as the case may be, would have to be identified and appointed and there can be no assurance that such a replacement with the necessary skills and experience could be appointed on terms acceptable to the Company. If a replacement Alternative Investment Fund Manager and/or investment manager cannot be found, this may have a material adverse effect on the Company's profitability, NAV and the price of the Shares. In that event, the Directors might have to formulate and put forward to Shareholders proposals for the future of the Company, which may include a reconstruction or winding up.

Each of the AIFM and the Investment Manager and its respective affiliates may provide services to other clients

The AIFM and the Investment Manager and their respective officers, employees and affiliates may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager may provide investment management, investment advice or other services in relation to other companies, funds or accounts that may have similar investment objectives and/or policies to that of the Company and may also invest on their own account. This may on occasion give rise to conflicts of interest which the AIFM and the Investment Manager will manage in accordance with their policies and procedures relating to conflicts of interest. If such conflicts of interest are managed to the detriment of the Company by the AIFM and/or the Investment Manager, they could have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

The Investment Manager may allocate some of its resources to activities in which the Company is not engaged

The Investment Manager is not required to commit all of its resources to the Company's affairs. Insofar as the Investment Manager devotes resources to its responsibilities to other business interests, its ability to devote resources and attention to the Company's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Past performance is no indication of future results

The past performance of other investments managed or advised by the Investment Manager or any of its investment professionals cannot be relied upon as an indicator of the future performance of the Company. Investor returns will be dependent upon the Company successfully pursuing its investment policy.

The success of the Company will depend, amongst other things, on the ability of the Investment Manager to identify, acquire and realise Investments in accordance with the Company's investment objective and investment policy. This, in turn, will depend on the ability of the Investment Manager to apply its investment analysis processes in a way which is capable of identifying suitable investments for the Company to invest in and to monitor, support and exit such investments effectively.

Due diligence risk

The due diligence process that the Investment Manager will undertake in connection with the Company's Investments may not reveal all facts and circumstances that may be relevant in connection with an investment.

When conducting due diligence, the Investment Manager will typically evaluate a number of issues in determining whether or not to proceed with an investment, including whether or not a potential investment is consistent with the Company's investment strategy. Nevertheless, when conducting due diligence and making an assessment regarding an investment, the Company will be required to rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence process may at times be subjective, especially with respect to elements of the Company's investment strategy for which only limited information is available particularly for smaller companies or those based overseas. Accordingly, there can be no assurance that due diligence investigations with respect to any investment opportunity will reveal or highlight all relevant facts and circumstances that may be necessary or helpful in evaluating such investment opportunity.

Any failure by the Investment Manager to identify relevant facts and circumstances through the due diligence process may lead to unsuccessful investment decisions, which could have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Cash management

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash or cash equivalent position instead of being fully or near fully invested, to manage the working capital requirements of the Company. This may affect opportunities to increase the Company's NAV. The Company's returns are reliant on the amount of capital invested in, and the performance of, the Company's portfolio of Investments in accordance with its investment policy. There can be no guarantee that the Company will deploy its capital in the manner anticipated. Any delays in the speed of capital deployment and any material cash or cash equivalent holdings may have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

C. RISKS RELATING TO THE COMPANY'S INVESTMENT OBJECTIVE, INVESTMENT POLICY AND INVESTMENT STRATEGY

The Company may not meet its investment objective

The Company may not achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

The Company's ability to meet its investment objective will largely depend on the Investment Manager's ability to identify suitable investments that are in accordance with the Company's investment policy. There can be no assurance that the Company will be successful in implementing the investment strategy of the Company as it cannot be guaranteed that the Investment Manager will be able to identify suitable investments in accordance with the Company's investment policy.

Risks relating to the lack of sectoral or country diversification

The Company has no specific limits placed on its exposure to any sector or country. This may from time to time lead to the Company having significant exposure to investee companies from certain business sectors or located in certain countries. Greater concentration of investments in any one sector or country may result in greater volatility in the value of the Company's Investments, and may have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Emerging Markets Risk

The Company may invest in securities of issuers in Emerging Markets. Such securities may involve a high degree of risk and may be considered speculative. In addition, the accounting, auditing and financial reporting standards of Emerging Markets in which the Company may invest are likely to be less extensive than those applicable to United States or United Kingdom companies. As a consequence of this, risks include (i) greater risk of expropriation, confiscation, taxation, nationalisation and social, political and economic instability; (ii) the smaller markets for securities of Emerging Markets issuers and lower volumes of trading, resulting in lack of liquidity and in greater price volatility; (iii) certain national policies which may restrict the investment opportunities available in respect of the Company, including restrictions on investing in issuers or industries deemed sensitive to relevant national interests and on the realisation or repatriation of foreign investment; (iv) currency instability and hyper-inflation; and (v) the absence of developed legal structures governing private or foreign investment and private property.

The Company may invest in China A Shares which may be subject to trading bands which restrict increases and decreases in the trading price. The Company, if investing via Stock Connects, will be prevented from trading underlying China A Shares when they hit the "trading band limit". If this happens on a particular trading day, the Company may be unable to trade China A Shares. As a result, the liquidity of the China A Shares may be adversely affected which in turn may affect the value of the Company's investments.

Concentration risk

In normal circumstances, the Company's portfolio of Investments is expected to consist of investments in not more than 35 companies. As a result, the Company's portfolio carries a higher degree of stock-specific risk than a more diversified portfolio. If the value of a small number of Investments were to decline materially, this may have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Sustainable investment risk

The Company's focus on environmental, social and governance ("ESG") related companies, issuers and securities as well as its screening processes mean that the universe of investable securities is more limited than would otherwise be the case and therefore the Company's universe of investments will be smaller than that of other investment companies without these or similar restrictions. The Company may therefore not be able to gain exposure to certain companies, issuers, industries, sectors and/or countries which go on to outperform the market and the Company may have to sell a security which no longer meets the ESG criteria when it might otherwise be disadvantageous to do so from a short term returns perspective. The selection of assets may in part rely on a proprietary ESG scoring process or exclusion lists that rely partially on third party data. The Company's performance may at times be better or worse than the performance of comparable investment companies that do not use ESG or sustainability criteria.

The risks posed by climate change and other ESG factors have led to increasing governmental regulation and taxation which can lead to additional costs for the Company or negatively impact its performance. In addition, companies are susceptible to changes in the social, environmental and taxation policies of governments of the various jurisdictions in which they operate which can also negatively affect the value of their shares. As such, where ESG securities in which the Company invests

are dependent on government incentives and subsidies, lack of political support for the financing of projects with a positive social or environmental impact could negatively impact the performance of the Company.

Similarly, the Company may also be more exposed to investment risks caused by environmental events, including climate events which are exacerbated by climate change, such as hurricanes, drought, wildfires, earthquakes or floods. It might also be exposed to investments located in areas that are more susceptible to such climate change risks or vulnerable to those climate related events. While the ESG approach taken by the Company aims to mitigate the Company against the negative impact of such events, including investments in companies and issuers which are better prepared for climate change, there is no guarantee that the Company's investments will outperform other forms of investment that do not take account of ESG considerations.

Risk relating to the nature of investee companies

The Company is likely to invest in small and mid-sized companies. These companies may involve a higher degree of risk than larger sized companies. The business models of such companies may be less diversified and hence more exposed to business-specific risks and market events. The prices of such securities in small and mid-sized companies may be more volatile and do not necessarily reflect the value of the underlying business or the price at which the shares can be bought or sold in the secondary market. The relative illiquidity of such investments may make it difficult for the Company to sell them if the need arises and, given the underlying liquidity of such investments, it may not be possible for the Company to identify a buyer for its stake should it wish to sell its holding or it may result in the Company realising significantly less than the value at which it had previously recorded such investments.

The Company may invest in unquoted securities, which involve a higher degree of risk than investments in publicly traded securities

Although it is intended that the Company's portfolio will continue to primarily comprise listed securities, the Company may invest up to 10 per cent. of Net Assets in unquoted securities. Such investments, by their nature, involve a higher degree of risk than investments in publicly traded securities. Unquoted securities are likely to be less liquid than publicly traded securities and this may make it difficult for the Company to sell any unquoted securities in which it has invested if the need arises and may result in the Company realising significantly less than the value at which it had previously recorded such investments. Investments in unquoted securities can also be more difficult to value than quoted securities and there is no guarantee that the basis of calculation used in the valuation process will reflect the actual value achievable on realisation of those investments.

There may be less information available to the Company on its unquoted investments than on its publicly traded investments. The Investment Manager may seek information from the management of underlying investee companies from time to time; however, no assurance can be given that relevant information would be made available by such investee companies in a timely manner or at all. Such lack of information could restrict the ability of the Investment Manager to adequately foresee or comprehend the risks, if any, in an investee company which could have an adverse impact on the performance of such company as well as that of the Company.

Political, Regulatory, Settlement and Sub-Custodial Risk

The value the Company's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. As the Company may invest in markets where the trading, settlement and custodial systems are not fully developed, the assets which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to higher risk.

The Company may be forced to dispose of Investments when it will not be able to obtain best value for its Investments

Whilst the Company does not have a limited life and there is no obligation to sell Investments within a fixed time frame, there can be no assurance that, at the time the Company seeks to dispose of Investments (for example if an Investment is no longer consistent with the Company's investment strategy), conditions in the relevant market will be favourable or that the Company will be able to maximise the return on such disposed Investments. To the extent that market conditions are not favourable, the Company may not be able to dispose of Investments at a gain. If the Company were required to dispose of an Investment on unsatisfactory terms, it may realise less than the value at which the Investment was previously recorded.

The value of the Shares could be adversely affected by exchange rate movements between Sterling and other currencies that the Investments may be denominated in

The Shares will be denominated in Sterling while up to 100 per cent. of its portfolio of Investments will be denominated in other currencies, and it is therefore subject to the risk of movements in exchange rates. As a result the Sterling value of the Company's Investments that are not denominated in Sterling may rise or fall solely on account of exchange rate fluctuations. Although the Investment Manager may choose to hedge the Company's currency exposure, in normal circumstances these exposures will not be hedged and such movements in exchange rates could have a material adverse effect on the value of the Shares.

The value of an Investment which has a high proportion of overseas earnings could be adversely affected by exchange rate movements between Sterling and other currencies that the Investments earnings may be denominated in

The earnings of an Investment may not be denominated in or hedged to Sterling, and are therefore subject to the risk of movements in exchange rates. As a result the Sterling value of Investments that have significant overseas earnings may rise or fall solely on account of exchange rate fluctuations.

The Company may use derivative instruments

The Company may utilise derivative instruments (including contracts for differences "CFDs") for investment, gearing and efficient portfolio management purposes. Such derivative instruments inherently contain much greater leverage than a non-margined purchase of the underlying security or instrument. This is due to the fact that, generally, only a very small portion (and in some cases none) of the value of the underlying security or instrument is required to be paid in order to make such leveraged investments. As a result of any derivatives instruments employed by the Company, small changes in the value of the underlying assets may cause a relatively large change in the Net Asset Value of the Company. Many such derivative instruments are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions.

Where the Company utilises CFDs, it is likely to take a credit risk with regard to the parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Accordingly, the use of CFDs by the Company may expose the Company to greater risk and have a materially adverse effect on the Company's performance.

Leverage Risk

The use of derivatives or borrowing to increase the exposure of the Company to the market or to leverage the Company will make the value of the Company's investments change more quickly in response to increases or decreases in general market prices than would be the case with an unleveraged portfolio.

If the Investment Manager correctly anticipates the direction in which the market or the specific security price will move, the result of using leverage will be improved Company performance by a greater extent than would be possible with an unleveraged portfolio. Conversely, if the Investment Manager's

assessment of market direction proves to be incorrect, the Company may be adversely affected to a much greater extent than the actual change in security prices might suggest due to the multiplier effect of using leverage.

D. RISKS RELATING TO THE SHARES

The Shares may not trade in line with Net Asset Value

The value of an investment in the Company, and the returns derived from it, may go down as well as up and an investor may not get back the amount invested.

The market price of the Shares, like shares in all investment companies, may fluctuate independently of their underlying NAV and may trade at a discount or premium to NAV at different times, depending on factors such as supply and demand for the Shares, market conditions and general investor sentiment. There can be no guarantee that any discount or premium control policy will be successful or capable of being implemented. The market value of a Share may vary considerably from its NAV.

The NAV per Share may not be an accurate guide to the value that a Shareholder may realise on a disposal of Shares.

It may be difficult for Shareholders to realise their investment at NAV and there may not be a liquid market in the Shares

Admission should not be taken as implying that there will be a liquid market for the Shares.

While the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in this Prospectus (and may in future be granted authority to repurchase other classes of shares), they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may have to dispose of their Shares in the market. There can be no guarantee that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying NAV. Accordingly, Shareholders may be unable to realise all or part of their investment at such NAV or at all.

The number of Shares to be issued pursuant to the Issue is not yet known, and there may be a limited number of holders of such Shares. Limited numbers and/or holders of such Shares may mean that there is limited liquidity in such Shares which may affect: (i) an investor's ability to realise some or all of their investment; and/or (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which such Shares trade in the secondary market.

Dilution risk

The Directors have been authorised to issue Shares immediately following Initial Admission at an issue price not less the prevailing NAV per Ordinary Share in respect of Ordinary Shares and at an issue price of 100 pence per C Share in respect of C Shares issued pursuant to the Placing Programme or otherwise, until the first annual general meeting of the Company, without the application of pre-emption rights.

Any further issues of Shares may dilute the voting rights and economic interests of existing Shareholders in the Company that do not participate pro-rata in the future issue of Shares.

E. RISKS RELATING TO REGULATION AND TAXATION

Changes in laws or regulations governing the Company's operations may adversely affect the Company's business

The Company will be subject to laws and regulations enacted by national and local governments. In particular, the Company will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies. The Company must comply with the Listing Rules, the Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the PRIIPs Regulation. In addition, the Company is subject to the continuing obligations imposed by the FCA on all investment companies whose shares are listed on the premium segment of the Official List and is subject to the admission and

disclosure standards of the London Stock Exchange. A failure by the Company to comply with those obligations and standards may result in the Shares being suspended from listing and Admission.

Any change in the law and regulation affecting the Company may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment objective and on the Company's Investments. In such event, this may also have a material adverse effect on the Company's profitability, NAV and the price of the Shares.

Investment trust status and tax legislation

It is the intention of the Directors to apply to HMRC for, and to conduct the affairs of the Company so as to satisfy the conditions for, approval as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. A failure to obtain or maintain HMRC approval as an investment trust, including as a result of a change in tax law or practice, could result in the Company not being able to benefit from the current exemption for investment trusts from UK tax on chargeable gains and could affect the Company's ability to provide returns to Shareholders. It is not possible to guarantee that the Company will be and will remain a company that is not a close company for UK tax purposes, which is a requirement to obtain and maintain its status as an investment trust, as the Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for approval as an investment trust, will, as soon as reasonably practicable, notify Shareholders of this fact via a Regulatory Information Service.

Changes in taxation legislation or practice, whether in the UK or elsewhere, may adversely affect the value of the Company's Investments, affect the Company's ability to provide returns to Shareholders, and affect the tax treatment for Shareholders of their investment in the Company (including rates of tax and availability of reliefs).

Investors should consult their tax advisers with respect to their own particular tax circumstances and the tax effects of an investment in the Company. Statements in this Prospectus concerning the taxation of investors or prospective investors in Shares are based upon current tax law as at the date of this Prospectus and tax authority practice, each of which is, in principle, subject to change. The value of particular tax reliefs, if available, will depend on each Shareholder's particular circumstances. This Prospectus does not constitute tax advice and must not therefore be treated as a substitute for independent tax advice.

Due diligence and reporting obligations

The Company will be required to comply with certain due diligence and reporting requirements under the International Tax Compliance Regulations 2015, which were enacted to meet the United Kingdom's obligations under FATCA, the Common Reporting Standard developed by the Organisation for Economic Co-operation and Development and the EU Directive on Administrative Cooperation in Tax Matters. Shareholders may be required to provide information to the Company to enable the Company to satisfy its obligations under the regulations. Failure by the Company to comply with its obligations under the regulations may result in fines being imposed on the Company and, in such event, the target returns of the Company may be adversely affected.

The Company may be treated as a passive foreign investment company

The Company may be treated as a "passive foreign investment company" (often referred to as a "PFIC") for US federal income tax purposes, which could have adverse consequences on US investors. If the Company is classified as a PFIC for any taxable year, holders of Shares that are US taxpayers may be subject to adverse US federal income tax consequences. Further, prospective investors should assume that a "qualified electing fund" election, which, if made, could serve as an alternative to the general PFIC rules and could reduce any adverse consequences to US taxpayers if the Company were to be classified as a PFIC, will not be available because the Company does not intend to provide the information needed to make such an election. A "mark-to-market" election may be available, however, if the Company's Shares are regularly traded. Prospective purchasers of Shares that are US taxpayers are urged to consult with their own tax advisers concerning the US federal income tax considerations associated with acquiring, owning and disposing of Shares in light of their particular circumstances.

The ability of certain persons to hold Shares and make secondary transfers in the future may be restricted as a result of ERISA and other regulatory considerations

Unless otherwise expressly agreed with the Company, each initial purchaser and subsequent transferee of Shares will be required to represent and warrant or will be deemed to represent and warrant that it is not a “benefit plan investor” (as defined in Section 3(42) of ERISA), and that it is not, and is not using assets of, a plan or other arrangement subject to provisions under applicable federal, state, local, non-US or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the US Tax Code unless its purchase, holding and disposition of Shares does not constitute or result in a non-exempt violation of any such substantially similar law. In addition, under the Articles, the Board has the power to refuse to register a transfer of Shares or to require the sale or transfer of Shares in certain circumstances, including any purported acquisition or holding of Shares by a benefit plan investor.

The Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. In order to avoid being required to register under the US Investment Company Act, the Company has imposed significant restrictions on the transfer of Shares which may materially affect the ability of Shareholders to transfer Shares in the United States or to US Persons.

Under the Articles, the Directors have the power to require the sale or transfer of Shares, or refuse to register a transfer of Shares, in respect of any Non-Qualified Holder. In addition, the Directors may require the sale or transfer of Shares held or beneficially owned by any person who refuses to provide information or documentation to the Company which results in the Company suffering US tax withholding charges.

The Shares will be subject to significant transfer restrictions for investors in certain jurisdictions as well as forced transfer provisions

The Shares have not been registered and will not be registered in the United States under the US Securities Act or under any other applicable securities laws. Moreover, offers and sales of the Shares are only being made outside the United States to non-US Persons (as defined in Regulation S under the US Securities Act), in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S and in the United States or to US Persons only to persons reasonably believed to be “Qualified Institutional Buyers” that are also “Qualified Purchasers”.

If at any time the holding or beneficial ownership of any Shares by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as “plan assets” of any benefit plan investor under section 3(42) of ERISA or the US Tax Code; or (ii) would or might result in the Company and/or its Shares and/or any of its appointed investment managers or investment advisers being required to register or qualify under the US Investment Company Act, and/or US Investment Advisers Act of 1940, as amended and/or the US Securities Act and/or the US Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and/or any laws of any state of the US or other jurisdiction that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a “foreign private issuer” under the Exchange Act; or (iv) may cause the Company to be a “controlled foreign corporation” for the purpose of the US Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the US Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder; or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the US Hiring Incentives to Restore Employment Act of 2010, including the Company becoming subject to any withholding tax or reporting obligation (including by reason of the failure of the Shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligations), the Directors may require the holder of such Shares to dispose of such Shares and, if the Shareholder does not sell such Shares, may dispose of such Shares on their behalf. These restrictions may make it more difficult for a US Person to hold and Shareholders generally to sell the Shares and may have a material adverse effect on the market value of the Shares.

IMPORTANT NOTICES

GENERAL

This Prospectus should be read in its entirety before making any application for Shares. Prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the AIFM, the Investment Manager, Winterflood or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Prospectus Regulation, the Listing Rules, the Disclosure Guidance and Transparency Rules and MAR, neither the delivery of this Prospectus nor any subscription made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors must not treat the contents of this Prospectus or any subsequent communications from the Company, the AIFM, the Investment Manager, Winterflood or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Apart from the liabilities and responsibilities (if any) which may be imposed on Winterflood by FSMA or the regulatory regime established thereunder, Winterflood makes no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus (or any supplementary prospectus published by the Company prior to Initial Admission or the date of any Subsequent Admission) nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares or the Issue. Winterflood and its affiliates, officers, directors, employees or agents accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

In connection with the Issue, Winterflood and its affiliates acting as an investor for its or their own account(s), may acquire Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Issue or otherwise. Accordingly, references in this Prospectus to the Shares being issued, offered, acquired, subscribed or otherwise dealt with, should be read as including any issue or offer to, acquisition of, or subscription or dealing by Winterflood and/or any of its affiliates acting as an investor for its or their own account(s). Neither Winterflood nor any of its affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Winterflood and/or its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company, the AIFM, the Investment Manager and other funds or investments managed by the AIFM, the Investment Manager or their respective affiliates for which they would have received customary fees. Winterflood and/or its affiliates may provide such services to the Company, the AIFM, the Investment Manager and/or any of their respective affiliates in the future.

The distribution of this Prospectus in jurisdictions other than the United Kingdom, the Channel Islands and the Isle of Man may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any Shares by any person in any jurisdiction: (a) in which such offer or invitation is not authorised; or (b) in which the person making such offer or invitation is not qualified to do so; or (c) to any person to whom it is unlawful to make such offer or invitation.

The Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S), except pursuant to an exemption

from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

The Company is not and does not intend to become an “investment company” within the meaning of the US Investment Company Act. Accordingly, the Company has not been, and will not be, registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. In addition, the Investment Manager is not registered as an investment adviser under the US Investment Advisers Act and neither the Company nor investors will be entitled to the benefits of the US Investment Advisers Act.

This Prospectus must not be distributed into the United States or to US Persons. The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, or any other securities commission or regulatory authority in the United States. None of the foregoing authorities have passed upon or endorsed the merits of the offering of the Shares or approved this Prospectus or confirmed the accuracy or adequacy of the information contained in this Prospectus. Any representation to the contrary is a criminal offence in the United States.

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or any Subsequent Admission of the relevant Shares. No broker, dealer or other person has been authorised by the Company, the Board or any Director, the AIFM, the Investment Manager or Winterflood to issue any advertisement or to give any information or to make any representation in connection with the Initial Issue or the Subsequent Placings other than those contained in this Prospectus and any such supplementary prospectus and, if issued, given or made, any such advertisement, information or representation must not be relied upon as having been authorised by the Company, the Board, any Director, the AIFM, the Investment Manager or Winterflood.

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment, or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of, or subscription for, Shares; (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of, or subscription for, Shares which they might encounter; and (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for, Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Statements made in this Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

FOR THE ATTENTION OF UNITED KINGDOM INVESTORS

No Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which has been approved by the FCA, except that the Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of Winterflood for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase

or subscribe for any shares and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In addition, Shares will only be offered to the extent that the Shares are permitted to be marketed in the UK pursuant to the UK AIFM Regime.

FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area (each a “**Relevant State**”), no Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the EEA Prospectus Regulation, except that the Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the EEA Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EEA Prospectus Regulation), subject to obtaining the prior consent of Winterflood for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the EEA Prospectus Regulation,

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Article 3 of the EEA Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EEA Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression “EEA Prospectus Regulation” means Regulation (EU) 2017/1129.

In addition, Shares will only be offered to the extent that the Shares are permitted to be marketed in the Relevant State pursuant to the EU AIFM Directive or can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

NOTICE TO PROSPECTIVE INVESTORS IN GUERNSEY

Shares may only be offered or sold in or from within the Bailiwick of Guernsey either:

- (a) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended (the “**POI Law**”);
- (b) by non-Guernsey bodies who: (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of the Guernsey Financial Services Commission (“**GFSC**”), afford adequate protection to investors; and (ii) meet the criteria specified in section 29(1)(c) of the POI Law; or
- (c) to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000; or
- (d) as otherwise permitted by the GFSC.

NOTICE TO PROSPECTIVE INVESTORS IN JERSEY

The Company has no “relevant connection” with Jersey and the offering of the Shares is valid in the United Kingdom and is, mutatis mutandis, circulated in Jersey only to persons similar to those to whom,

and in a manner similar to that in which, it is for the time being being circulated in the United Kingdom for the purposes of Article 8 of the Control of Borrowing (Jersey) Order 1958 (the “**Jersey COBO**”). Accordingly, the consent of the Jersey Financial Services Commission under Article 8(2) of the Jersey COBO to the circulation of this Prospectus in Jersey is not required and has not been obtained.

Subject to certain exemptions (if applicable), offers for securities in the Company may only be distributed and promoted in or from within Jersey by persons with appropriate registration under the Financial Services (Jersey) Law 1998, as amended. It must be distinctly understood that the Jersey Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the Company.

NOTICE TO PROSPECTIVE INVESTORS IN THE ISLE OF MAN

The Initial Issue and the Placing Programme are available, and are and may be made, in or from within the Isle of Man and this Prospectus is being provided in or from within the Isle of Man only:

- (a) by persons licensed to do so under the Isle of Man Financial Services Act 2008; or
- (b) in accordance with any relevant exclusion contained within the Regulated Activities Order 2011 (as amended) or exemption contained in the Financial Services (Exemptions) Regulations 2011 (as amended).

The Initial Issue and the Placing Programme and this Prospectus are not available in or from within the Isle of Man other than in accordance with paragraphs (a) and (b) above and must not be relied upon by any person unless made or received in accordance with such paragraphs.

NOTICE TO PROSPECTIVE INVESTORS IN OTHER JURISDICTIONS

The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons in whose possession this Prospectus comes should inform themselves about and observe such restrictions.

INTERMEDIARIES

Under the Intermediaries Offer, the Ordinary Shares are being offered to Intermediaries who will facilitate the participation of their retail investor clients (and any member of the public who becomes a client of that Intermediary) located in the United Kingdom, the Channel Islands and the Isle of Man. The Company consents to the use of the Prospectus in connection with any subsequent resale or final placement of securities by the Intermediaries in the United Kingdom, the Channel Islands and the Isle of Man on the following terms: (a) in respect of the Intermediaries who have been appointed prior to the date of the Prospectus, as listed in paragraph 15 of Part 8 of this Prospectus; and (b) in respect of Intermediaries who are appointed after the date of this Prospectus, a list of which appears on the Company's website, from the date on which they are appointed to participate in connection with any subsequent resale or final placement of securities and, in each case, until the closing of the period for the subsequent resale or final placement of securities by the Intermediaries at 5.00 p.m. on 29 June 2021, unless closed prior to that date.

The offer period within which any subsequent resale or final placement of securities by the Intermediaries can be made and for which consent to use this Prospectus is given commences on 5 July 2021 and closes on 25 May 2022, unless closed prior to that date (any such prior closure to be announced via a Regulatory Information Service).

Any Intermediary that uses this Prospectus must state on its website that it uses the Prospectus in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. **Information on the terms and conditions of any subsequent resale or final placement of securities by any financial intermediary is to be provided at the time of the offer by the financial intermediary.**

The Company consents to the use of this Prospectus and accepts responsibility for the information contained in the Prospectus with respect to subsequent resale or final placement of securities by any financial intermediary given consent to use this Prospectus.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website at www.liontrust.co.uk/esgt.

DISTRIBUTION TO RETAIL INVESTORS

The Company intends to conduct its affairs so that its Shares can be recommended by financial advisers to retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investment products. The Shares are expected to be excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

The Company intends to conduct its affairs so that its Shares can be recommended by financial advisers to retail investors in accordance with the rules on the distribution of financial instruments under MiFID II. The Directors consider that the requirements of Article 57 of the MiFID II delegated regulation of 25 April 2016 are met in relation to the Shares and that, accordingly, the Shares should be considered "non-complex" for the purposes of MiFID II.

ELIGIBILITY FOR INVESTMENT BY UCITS OR NURS

The Company has been advised that the Shares should be "transferable securities" and, therefore, should be eligible for investment by UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Shares are to be admitted to trading on the main market of the London Stock Exchange; and (iii) the AIFM and the Investment Manager are authorised and regulated by the FCA and, as such, are subject to the rules of the FCA in the conduct of its investment business. The manager of a UCITS or NURS should, however, satisfy itself that the Shares are eligible for investment by that fund, including a consideration of the factors relating to that UCITS or NURS itself, specified in the rules of the FCA.

COMPLIANCE WITH US EXECUTIVE ORDER 13959 (the "Executive Order")

In connection with Executive Order issued by the United States government in November 2020, which prohibits US Persons from purchasing "publicly traded securities" of 35 Chinese companies identified as Communist Chinese Military Companies ("**CCMCs**"), the Company confirms that, its investments will not comprise direct holdings in any of these 35 companies and, to the best of the Investment Manager's knowledge, will not comprise indirect holdings via any of its investee companies. No investments will be made directly into any CCMCs and no investments will be made into companies which are known to own CCMCs. The Investment Manager will monitor the Company's portfolio of Investments to ensure that, to the best of its knowledge, no investee company is, or holds an investment in, a CCMC for as long as the Executive Order remains in effect.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within PROD 3 of the PROD Sourcebook (the "**Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares to be issued pursuant to the Issue are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in COBS 3.5 and 3.6 of the FCA's Conduct of Business Sourcebook; and (ii) eligible for distribution through all distribution channels as are permitted by the Product Governance Requirements (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or

regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Winterflood will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of the FCA's Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

PRIIPS REGULATION

In accordance with the PRIIPS Regulation, a Key Information Document in respect of the Ordinary Shares has been prepared by the AIFM and is available to investors at www.liontrust.co.uk/esgt. If you are distributing the Ordinary Shares, it is your responsibility to ensure that the relevant Key Information Document is provided to any clients that are "retail clients".

The AIFM is the only manufacturer of the Ordinary Shares and the C Shares for the purposes of the PRIIPs Regulation and Winterflood is not a manufacturer for these purposes. Winterflood makes no representations, express or implied, or accepts any responsibility whatsoever for the contents of any Key Information Document prepared by the AIFM in relation to the Ordinary Shares or the C Shares prepared by the AIFM in the future nor accepts any responsibility to update the contents of any Key Information Documents in accordance with the PRIIPs Regulation, to undertake any review processes in relation thereto or to provide such Key Information Document to future distributors of Ordinary Shares or C Shares. Winterflood and its affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of any Key Information Document prepared by the AIFM.

DATA PROTECTION

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("**personal data**") will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (a) the relevant data protection legislation and regulatory requirements of the United Kingdom ("**Data Protection Legislation**"); and (b) the Company's privacy notice, a copy of which is available for review on the Company's website at www.liontrust.co.uk/esgt (and if applicable any other third party delegate's privacy notice) ("**Privacy Notice**").

Without limitation to the foregoing, each prospective investor acknowledges that it has been informed that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) and in accordance with the Privacy Notice for the purposes set out therein including:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company; and
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the UK or elsewhere or any third party functionary or agent appointed by the Company.

For the purposes set out above, it may be necessary for the Company (or any third party, functionary, or agent appointed by the Company, which may include, without limitation, the Registrar) to:

- (a) disclose personal data to third party service providers, affiliates, agents or functionaries appointed by the Company or its agents to provide services to prospective investors; and

- (b) transfer personal data outside of the United Kingdom to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors in the United Kingdom.

The foregoing processing of personal data is required in order to perform the contract with the prospective investor to comply with the legal and regulatory obligations of the Company or otherwise is necessary for the legitimate interests of the Company.

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that such transfer is in accordance with Data Protection Legislation.

When the Company, or its permitted third parties, transfers personal information outside the United Kingdom, it will ensure that the transfer is subject to appropriate safeguards in accordance with Data Protection Legislation.

Prospective investors are responsible for informing any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

Individuals have certain rights in relation to their personal data; such rights and the manner in which they can be exercised are set out in the Privacy Notice.

EUROPEAN UNION LEGISLATION

If and when an EU instrument is incorporated into the law of the United Kingdom, a reference to that EU instrument in this Prospectus shall, except where the context requires otherwise, mean the EU instrument as so incorporated and any enactment, statutory provision or subordinate regulation that from time to time (with or without modifications) re-enacts, replaces or consolidates it for the purposes of the laws of the United Kingdom.

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements including, without limitation, statements containing the words “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variation or similar expressions. Such forward-looking statements involve unknown risk, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of the Company, or industry results, to be materially different from future results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this Prospectus. Subject to its legal and regulatory obligations, the Company expressly disclaims any obligation to update or revise any forward-looking statement contained herein to reflect changes in expectations with regard thereto or any change in events, conditions, or circumstances on which any statement is based, unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and MAR.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 9 of Part 8 of this Prospectus.

PRESENTATION OF FINANCIAL INFORMATION

The Company is newly formed and as at the date of this Prospectus has not commenced operations and has no assets or liabilities other than the conditional rights and obligations set out in the material contracts summarised in paragraph 6 of Part 8 of this Prospectus. Accordingly, no statutory financial statements have been prepared as at the date of this Prospectus. All future financial information for the Company is intended to be prepared in accordance with UK Generally Accepted Accounting Practice, and in particular with FRS 102. When deciding whether to purchase or subscribe for any Shares,

prospective investors must rely on their own examination of the Company from time to time and the terms of the Issue.

PRESENTATION OF MARKET AND OTHER DATA

Market and economic data used throughout this Prospectus is sourced from various independent sources. The Company confirms that such data has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Company accepts no responsibility whatsoever in respect of any such market and economic data sourced from various independent sources and used throughout this Prospectus.

CURRENCY PRESENTATION

Unless otherwise indicated, all references in this Prospectus to “£”, “Sterling”, “pence” or “GBP” are to the lawful currency of the UK, all references in this Prospectus to “Euro” or “€” are to the currency adopted by those nations participating in the third stage of the economic and monetary union provisions of the Treaty on European Union, signed at Maastricht on 7 February 1992.

WEBSITES

Without limitation, neither the contents of the Company’s, the AIFM’s or the Investment Manager’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s, the AIFM’s or the Investment Manager’s website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this Prospectus alone.

GOVERNING LAW

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

EXPECTED TIMETABLE

2021

Initial Issue

Publication of the Prospectus and commencement of the Initial Placing, Offer for Subscription and the Intermediaries Offer	26 May
Latest time and date for applications under the Offer for Subscription	11.00 a.m. on 29 June
Latest time and date for receipt of completed applications from Intermediaries in respect of the Intermediaries Offer	5.00 p.m. on 29 June
Latest time and dates for commitments under the Initial Placing	2.00 p.m. on 30 June
Publication of results of the Initial Issue (through a Regulatory Information Service)	1 July
Admission and dealings in Ordinary Shares commence	8.00 a.m. on 5 July
CREST accounts credited with uncertificated Ordinary Shares	5 July
Where applicable, definitive share certificates despatched by post no later than*	19 July (or as soon as possible thereafter)

* Underlying applicants who apply to Intermediaries for Ordinary Shares under the Intermediaries Offer will not receive share certificates.

Subsequent Placings under the Placing Programme

Subsequent Placings under the Placing Programme	between 5 July 2021 and 25 May 2022
Announcement of the results of each Subsequent Placing	as soon as practicable following the closing of a Subsequent Placing
Admission and crediting of CREST accounts in respect of each Subsequent Placing	as soon as practicable following the allotment of Shares pursuant to a Subsequent Placing
Definitive share certificates in respect of the Shares issued pursuant to each Subsequent Placing despatched by post	within 14 days of the Admission of any Shares pursuant to a Subsequent Placing

Any changes to the expected timetable set out above will be notified by the Company through a Regulatory Information Service.

ISSUE STATISTICS

Initial Issue

Issue Price	100 pence per Ordinary Share
Target number of issued Ordinary Shares upon Admission	150 million
Target Gross Proceeds	£150 million
Estimated Net Assets upon Admission*	£147 million
Estimated net proceeds of the Initial Issue*	£147 million
Expected Net Asset Value per Ordinary Share on Admission*	at least 98 pence

* Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue. The maximum number of Ordinary Shares available under the Initial Issue is 250 million. The number of Ordinary Shares issued and to be issued pursuant to the Initial Issue, and therefore the Gross Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service prior to Admission. The Initial Issue will not proceed if the Minimum Gross Proceeds are not raised, or such lesser amount as the Company and Winterflood in their absolute discretion may decide. If the Initial Issue does not proceed, subscription monies received will be returned without interest at the risk of the applicant.

Subsequent Placings under the Placing Programme

Maximum number of Ordinary Shares and/or C Shares to be issued under the Placing Programme	250 million
Placing Programme Price (Ordinary Shares)	not less than the prevailing NAV per Ordinary Share at the time of issue plus a premium to cover the costs and expenses of such issue
Placing Programme Price (C Shares)	100 pence

DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BMBVPL14
SEDOL	BMBVPL1
TIDM	ESGT

The dealing codes for the C Shares will be as follows:

ISIN	GB00BMBVPM21
SEDOL	BMBVPM2
Legal Entity Identifier (LEI)	213800L8G9AC34HYZ922

DIRECTORS AND ADVISERS

Directors (all non-executive)	<p>Richard Laing (<i>Chair</i>) Clare Brook Sarah Ing Kunle Olafare</p> <p><i>all independent and of the registered office below</i></p>
Registered Office	<p>The Scalpel 18th Floor 52 Lime Street London EC3M 7AF</p>
Company Secretary	<p>JTC (UK) Limited The Scalpel 18th Floor 52 Lime Street EC3M 7AF</p>
AIFM and Administrator	<p>Liontrust Fund Partners LLP 2 Savoy Court London WC2R 0EZ</p>
Investment Manager	<p>Liontrust Investment Partners LLP 2 Savoy Court London WC2R 0EZ</p>
Sponsor, Financial Adviser and Placing Agent	<p>Winterflood Securities Limited The Atrium Building Cannon Bridge House 25 Dowgate Hill London EC4R 2GA</p>
Depository	<p>The Bank of New York Mellon (International) Limited One Canada Square London E14 5AL</p>
Legal Adviser to the Company	<p>Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU</p>
Legal Adviser to the Sponsor, Financial Adviser and Placing Agent	<p>Stephenson Harwood LLP 1 Finsbury Circus London EC2N 4AY</p>
Reporting Accountants	<p>BDO LLP 55 Baker Street London W1U 7EU</p>
Auditors	<p>BDO LLP 55 Baker Street London W1U 7EU</p>

Registrar and Receiving Agent

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

PART 1

INFORMATION ON THE COMPANY

1 INTRODUCTION

The Company is a newly established closed-ended investment company incorporated in England and Wales on 12 April 2021. The Company intends to carry on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010. The Company's registered office is The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF. The Company has been incorporated with an unlimited life.

An investment in the Company will provide investors with exposure to a diversified portfolio of Sustainable Companies as described under the heading "Sustainable Future Investment Strategy" below.

The Company has an independent board of non-executive Directors and has appointed Liontrust Fund Partners LLP as its alternative investment fund manager for the purposes of the UK AIFM Regime. The AIFM has appointed Liontrust Investment Partners LLP as the Investment Manager, which will manage the investment portfolio of the Company as a delegate of the AIFM.

Liontrust is a specialist investment manager whose Sustainable Investment Team has a 20 year successful track record in terms of investing in companies to help create a cleaner, safer and healthier society for the future and generate attractive returns for investors.

Information on the background to the Sustainable Future Investment Strategy and outlook is set out in Part 2 of this Prospectus. Further information on the Investment Manager, the investment process and the Sustainable Investment Team responsible for the Company's portfolio of Investments is set out in Part 3 of this Prospectus.

Applications will be made for all of the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium segment of the Official List of the FCA and to trading on the premium segment of the Main Market of the London Stock Exchange. It is expected that Initial Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence on 5 July 2021. Ordinary Shares will be issued pursuant to the Initial Issue at the Issue Price of 100 pence per Ordinary Share.

The Initial Issue is described in Part 5 of this Prospectus. Ordinary Shares and/or C Shares may also be issued under the Placing Programme, as described in Part 6 of this Prospectus.

2 INVESTMENT OBJECTIVE

The Company's investment objective is to deliver to Shareholders a total return over the long term (five years or more) by investing globally in Sustainable Companies.

3 INVESTMENT POLICY

The Company will seek to achieve its investment objective through exposure to a diversified portfolio of sustainable companies. Sustainable companies are those that the Investment Manager believes will capitalise on and help drive the key structural growth trends that will shape the sustainable global economy of the future; will provide or produce sustainable products and services; and have a progressive approach to the management of environmental, social and governance issues ("**Sustainable Companies**"). The Company's Investments are assessed using the Investment Manager's sustainability assessment process and given an ESG rating, with the exception of cash or cash-like holdings.

The portfolio will comprise predominantly quoted equity securities. The Company will be free to invest in Sustainable Companies in any particular market, sector or country and will not be subject to market capitalisation limits. Despite the absence of specific market, sector, country or market capitalisation limits, the Company will invest and manage its Investments in a manner that is consistent with spreading investment risk and expects to invest predominantly in developed market securities.

The Company's approach is to be a long term (five years or more) investor in its chosen Investments provided they continue to meet the Investment Manager's investment and sustainability criteria.

It is anticipated that in normal circumstances the Company's portfolio of Investments will, once the net proceeds of the Initial Issue have been invested, comprise between 25 and 35 holdings.

Investment restrictions

The Company will comply with the following investment restrictions:

- no more than 10 per cent. of Net Assets will be exposed to any one company;
- no more than 20 per cent. of Net Assets will be exposed to companies listed on exchanges in Emerging Market countries;
- no more than 10 per cent. of Net Assets will be invested in aggregate in unlisted securities, convertible securities and/or preference shares; and
- the Company will not hold securities which represent more than 20 per cent. of the voting rights of any company.

Emerging Market countries means each constituent country represented in the MSCI Emerging Markets Index from time to time.

Each of the above restrictions will be calculated at the time of investment.

Hedging and derivatives

The Company may use derivative instruments to create leverage via synthetic long positions (i.e. positions which are in economic terms equivalent to long positions), for example, by using futures, options and CFDs. This strategy may be used to gain exposure to equities and equity-related securities and to seek both to protect and to enhance the returns achieved. Each synthetic long position will be treated as if a direct equity investment had been made and will be subject to the same diversification and risk spreading limits as set out in the investment restrictions above. The use of derivatives to create leverage will also be subject to the leverage and borrowing limits set out below.

The Company may also use derivatives for efficient portfolio management purposes including hedging. In particular, investments will be made in assets denominated in a number of currencies. The Investment Manager may, at its discretion, choose to hedge all or a proportion of the non-Sterling denominated assets of the Company into Sterling, the base currency of the Company, in order to mitigate the impact of currency fluctuations on the value of non-Sterling denominated assets.

Leverage and borrowing limits

The Board has adopted a policy that the Gross Asset Exposure of the Company, whether from borrowing or derivatives (where such derivatives are used for investment purposes), will not exceed the Net Assets of the Company by more than 30 per cent.. Gross Asset Exposure for these purposes is the value of the total portfolio to which the Company is exposed, whether through direct or indirect investment (including through derivatives), after the deduction of cash balances but without taking into account any hedging and netting arrangements.

The Company may, from time to time, use borrowings for investment purposes and for working capital. Borrowings are not normally expected to exceed 10 per cent. of Net Assets but will not, in any event, exceed 20 per cent. of Net Assets.

The above limits will be calculated at the point of drawdown of any borrowing and the entering into of any contracts in respect of derivatives.

Cash and currency management

In certain circumstances, the Company may hold and/or invest in, significant amounts of cash and cash equivalents (such as certificates of deposit), debt securities including government and corporate bonds and money market instruments (including treasury bills, certificates of deposit, bankers acceptances and commercial paper) in line with prudent cash management guidelines agreed between the Board,

the AIFM and Investment Manager. There is no limit on the maximum exposure to cash and cash equivalents; however, no more than 20 per cent. of the Net Assets of the Company may be deposited with any one credit institution. Any investment in bonds will be in corporate and government fixed or floating rate instruments. The Company may pledge or charge its holding in cash or debt securities as collateral for financial derivative instruments.

4 CHANGES TO OR BREACHES OF THE INVESTMENT POLICY

No material change will be made to the investment policy of the Company without the approval of Shareholders by ordinary resolution. Non-material changes to the investment policy may be approved by the Board.

In the event of a breach of the Company's investment policy and the investment, leverage and borrowing restrictions set out therein, the Investment Manager shall inform the AIFM and the Board upon becoming aware of the same and if the AIFM and/or the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

5 REFERENCE INDEX

The Company will use the MSCI World Index (Total Return in Sterling terms) as its Reference Index for performance comparison purposes only and will not use the Reference Index to define or restrict the composition of the Company's portfolio of Investments which may comprise (in whole or in part) Investments which are not constituents of the Reference Index.

As the Reference Index will be used for performance comparison purposes only, the Company's Investments will not mirror the stocks and weightings that constitute any particular index or indices (including the Reference Index).

6 SUSTAINABLE FUTURE INVESTMENT STRATEGY

The Investment Manager believes that Sustainable Companies have better growth prospects and are more resilient than the market gives them credit for. The Investment Manager will look to use this underappreciated advantage to deliver outperformance from the Company's portfolio. By investing in Sustainable Companies, the Investment Manager believes that it can also accelerate environmental and social improvements.

The Investment Manager's investment process is a high-conviction, bottom-up approach whereby sustainability is explicitly integrated throughout. The process is designed to capture long term investment opportunities from transformative changes in the global economy, tied to the idea that over time economies become more sustainable.

Sustainability will be integrated into the Company through three main stages of the investment process:

1. stock selection;
2. portfolio construction; and
3. company engagement.

Firstly, stock selection has four key filters: (i) ESG thematic analysis; (ii) sustainability analysis; (iii) strong fundamentals; and (iv) valuation. The first two are where the Investment Manager's view of sustainability is integrated.

ESG thematic analysis: is the starting point for idea generation and all companies must be aligned with at least one ESG theme. The Investment Manager has identified twenty-one sustainability themes and each one defines a significant area of the economy that exhibits strong growth due to delivering improvements to resource efficiency, improved health, or resilience in line with the principle of sustainable development. All themes share the following three characteristics:

- stronger growth;

- listed company or corporate bond exposure and significant market size; and
- positive impact on society or the environment.

Sustainability analysis: assesses a potential company in two dimensions – the set of products or services offered and the management of ESG exposures relevant to that industry sub-sector. This uses sustainability to identify companies with better growth prospects and higher quality management.

Strong fundamentals: the Investment Manager targets companies that exhibit growth above both the industry average and the economy as a whole. The Investment Manager also explicitly targets companies which can illustrate recurring revenue streams and can consistently convert earnings to free cash flow.

Valuation: the Investment Manager models five years of future revenue, margin and expected earnings and free cash flow to identify companies with significant potential valuation upside.

Second, portfolio construction will diversify systemic risk while also skewing the Company's portfolio to enhance its overall sustainability. The Investment Manager will apply a rules-based approach where it will aim to construct a concentrated portfolio of 'best ideas', of between 25 and 35 companies. Turnover is expected to be low, representing the long-term nature of the sustainable Investments whereby the Investment Manager is aiming to hold positions for five years or more.

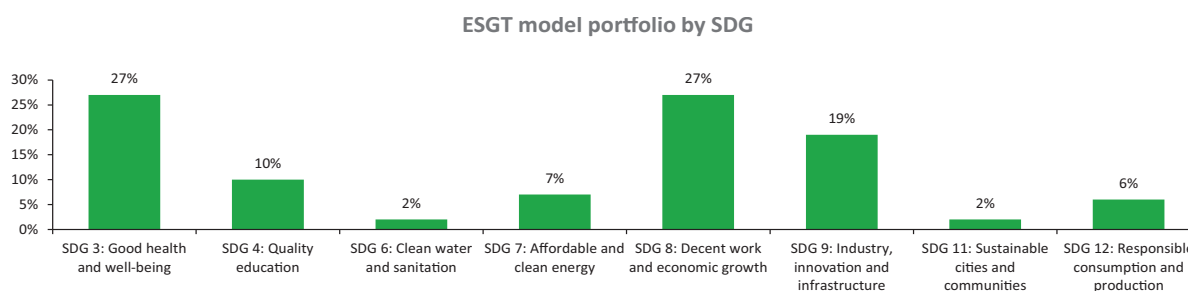
The Investment Manager will apply the rules-based approach to stock concentration based on the following factors:

1. **Risk** – the Investment Manager uses risk models to calculate expected volatility, and the degree of diversification a position adds to the overall portfolio;
2. **Reward** – how much valuation upside there is between the current share price of an investee company, and the calculated five-year value of that company; and
3. **Conviction** – this factor incorporates the sustainability rating of the business (higher rating equals higher conviction) and the percentage fit to the investment theme (higher theme exposure percentage equals higher conviction). The active share is usually over 90 per cent.

Sustainability drives the portfolio managers' engagement with portfolio companies where they use the Investment Manager's long-term ownership and relationship with management to seek to drive change in carefully selected areas.

By integrating sustainability into the three stages set out above, the Investment Manager seeks to deliver a portfolio of Sustainable Companies.

In the interests of diversifying and to impact a wide range of environmental and societal issues, the Investments will be spread across the range of twenty-one ESG thematic categories which have been linked to the United Nation's Sustainable Development Goals ("**SDGs**"). While there are some noticeable gaps which the Investment Manager seeks to address, the model portfolio by SDG (set out below) has most exposure to SDG 3: Good health & wellbeing (27 per cent.); SDG 8: Decent work & economic growth (27 per cent.); SDG 9: Industry innovation and infrastructure (19 per cent.); and SDG 4: Quality education (10 per cent.). The model portfolio by SDG set out below is exposed to 8 of the 17 SDGs. However, there are some SDGs which are hard to impact through investment.



Source: Liontrust / Factset 31.03.21

In these areas, there are currently very few opportunities to invest successfully while having a positive impact on these SDGs.

A distinguishing feature of the investment process in relation to the Company is that the Investment Manager will donate up to 10 per cent. of the management fees paid by the Company to the AIFM (who is responsible for the fees payable to the Investment Manager), (a level to be reviewed periodically) to fund research identifying and developing financial instruments covering the currently Uninvestable SDGs which will, in time, be available for the Company and others to invest in.

Full details of the Investment Manager's approach to investing and investment processes is set out in Part 3 of this Prospectus.

7 DIVIDEND POLICY

It is anticipated that the majority of Shareholder returns will be generated through capital appreciation rather than income distribution. Accordingly, the Company does not have any dividend targets but will pay out its income as required by applicable law. The Company intends to pay dividends on an annual basis.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those Regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

8 NET ASSET VALUE

The unaudited Net Asset Value per Ordinary Share (and Net Asset Value per C Share, where applicable) will be calculated in Sterling by the AIFM on a daily basis. Such calculations shall be published daily through a Regulatory Information Service.

The Net Asset Value is the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the AIC's valuation guidelines and in accordance with applicable accounting standards. Publicly traded securities will be valued by reference to their bid price or last traded price, if applicable, on the relevant exchange. Where trading in the securities of an investee company is suspended, the Investment will be valued at its estimated net realisable value. In determining the valuations in these circumstances, where appropriate, latest dealing prices, valuations from reliable sources, asset values and other relevant factors will be taken into account. The valuations will be subject to the Board's agreement. If the Directors consider that any of the above bases of valuation are inappropriate in any particular case, or generally, they may adopt such other valuation procedures as they consider reasonable in the circumstances.

The Directors may temporarily suspend the calculation, and publication, of the Net Asset Value during a period when, in the opinion of the Directors:

- there are political, economic, military or monetary events or any circumstances outside the control, responsibility or power of the Board, and disposal or valuation of Investments of the Company or other transactions in the ordinary course of the Company's business is not reasonably practicable without this being materially detrimental to the interests of Shareholders or if, in the opinion of the Board, the Net Asset Value cannot be fairly calculated;
- there is a breakdown of the means of communication normally employed in determining the calculation of the Net Asset Value; or

- it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

Any suspension in the calculation of the Net Asset Value, to the extent required under the Listing Rules, will be notified through a Regulatory Information Service as soon as practicable after any such suspension occurs.

9 REPORTS, ACCOUNTS AND MEETINGS

The Company will hold a meeting as its annual general meeting in each year, at which the Company's annual report and accounts for each financial year will be presented. The annual report and accounts of the Company will be made up to the last day in February in each year with copies expected to be sent to Shareholders within the following four months. The first annual report will be prepared to 28 February 2022. The Company will also publish unaudited half-yearly reports to 31 August each year with copies expected to be sent to Shareholders within the following three months.

The Company's financial statements will be prepared in Sterling under FRS 102.

10 SUSTAINABILITY REPORTING AND OTHER INITIATIVES

The Liontrust Group believes communication with its clients and stakeholders is very important and in that respect:

- Liontrust Asset Management PLC produces an annual review providing information in respect of how it is performing in terms of ESG matters;
- the Sustainable Investment Team produces an annual review which seeks to measure the impact of its investments and analyses the success of its engagement initiatives;
- the Sustainable Investment Team produces an annual review in which it reflects on the impact of its engagement activities and outlines its priorities; and
- the Company intends to produce a monthly factsheet.

These publications and other literature and articles produced by the Sustainable Investment Team can be found on the Company's website at www.liontrust.co.uk/esgt.

A key initiative over the past year has been the One and a Half Degree Transition Challenge which is calling for all companies held within the Liontrust Sustainable Future Funds to explain how they plan to decarbonise their businesses to limit global warming to 1.5 degrees Celcius. The report on the findings of this climate crisis engagement will be published in time for the UN Climate Change Conference of Parties (COP 26) in early November 2021.

Other priority initiatives undertaken by Liontrust over the past year have been:

- to quantify the main impacts (good and bad) of the companies in which the Sustainable Investment Team invests. The Team is engaging with companies to disclose their main impacts;
- looking for companies that provide solutions to plastic pollution as potential investments as well as encouraging companies to reduce the amount of single use plastics they introduce to the environment;
- engaging with companies to encourage greater diversity, looking at gender balance at a board level and among senior positions, and looking at efforts to reduce any gender pay gaps;
- engaging companies to offer decent work and pay living wages and to ensure they mitigate risks, protect workers' rights and maximise the opportunities to support employees. The Sustainable Investment Team also encourage companies to use their influence to drive forward best practice further down their supply chains; and
- engaging with financial services companies to encourage responsible investment policies, lending practices and increased adoption of sustainable investing.

Liontrust employees are involved in industry-wide initiatives and working groups including:

- PRI SDG and Active Ownership Committee;

- PRI Investor Working Group on the Just Transition;
- 30% Club Investor Group;
- Access to Nutrition Index; and
- Diversity Project.

Liontrust is affiliated with the following:

- Liontrust is a signatory to the PRI and the Team was a founding signatory in 2006;
- Financial Reporting Council Stewardship Code;
- Taskforce on Climate-Related Financial Disclosure;
- 30% Club Investor Group;
- Workforce Disclosure Initiative;
- CDP (formally known as Carbon Disclosure Project); and
- UK Sustainable Investment and Finance Association.

Liontrust has endorsed the following statements:

- PRI Statement of Investor Commitment to Support a ‘Just Transition’ on Climate Change;
- PRI Sustainable Palm Oil Expectation statement;
- Global Investor Statement to Governments on Climate Change;
- PRI Investor statement on deforestation and forest fires in the Amazon; and
- Access to Medicine – Global Investor Statement in support of an effective, fair and equitable global response to Covid-19.

11 PREMIUM AND DISCOUNT MANAGEMENT AND LIFE OF THE COMPANY

The Board has the discretion to seek to manage, on an ongoing basis, the premium or discount to their NAV at which the Ordinary Shares may trade through further issues and buy-backs of Ordinary Shares, as appropriate.

11.1 *Premium management*

The Company has Shareholder authority to issue up to 250 million Ordinary Shares, on a non-pre-emptive basis, following Initial Admission, pursuant to the Placing Programme described in Part 6 of this Prospectus or otherwise. Such authority will expire at the conclusion of, and renewal of the Company’s general authority to issue Ordinary Shares on a non pre-emptive basis may be sought at, the Company’s first annual general meeting, which is expected to be held in July 2022.

In the event that the Ordinary Shares trade at a premium to NAV, the Company may issue new Ordinary Shares as a means of seeking to limit the extent of any premium and to meet demand for Ordinary Shares in the secondary market.

Investors should note that the issuance of new Ordinary Shares, including for premium management purposes, is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the number of new Ordinary Shares that may be issued.

No Ordinary Shares will be issued at a price less than the last published Net Asset Value per Ordinary Share at the time of the announcement of their proposed issue, unless they are first offered pro-rata to existing Shareholders.

11.2 **Discount management**

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests as a whole and as a means of correcting any imbalance between supply of and demand for the Ordinary Shares. In normal and stable market conditions the Directors intend to seek to limit the discount to NAV per Ordinary Share at which the Ordinary Shares trade to not more than 5 per cent..

A special resolution has been passed granting the Directors authority to repurchase up to 14.99 per cent. of the Company's issued Ordinary Share capital immediately following Initial Admission during the period expiring on the conclusion of the earlier of the Company's first annual general meeting and the date 18 months after the date on which the resolution was passed. Renewal of this buy-back authority is expected to be sought at each annual general meeting of the Company. Any purchase of Ordinary Shares would be made only out of the available cash resources of the Company. Ordinary Shares purchased by the Company may be held in treasury or cancelled.

The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of (i) 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made, or (ii) the higher of: (a) the price of the last independent trade; and (b) the highest current independent bid for the Ordinary Shares on the London Stock Exchange at the time the purchase is carried out. In addition, the Company will only make such repurchases through the market at prices (after allowing for costs) below the relevant prevailing NAV per Ordinary Share under the guidelines established from time to time by the Board.

Shareholders should note that the purchase of Ordinary Shares by the Company is at the absolute discretion of the Directors and is subject to the working capital requirements of the Company and the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

11.3 **Treasury shares**

Any Ordinary Shares repurchased pursuant to a general authority referred to at paragraph 11.2 above may be held in treasury. The Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or sold for cash. This would give the Company the ability to re-sell Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

Unless authorised by Shareholders, no Ordinary Shares will be sold from treasury at a price less than the NAV per Ordinary Share at the time of the sale unless they are first offered pro-rata to existing Shareholders.

11.4 **Life of the Company**

The Directors will propose an ordinary resolution that the Company continues its business as an investment trust (a "**Continuation Resolution**") at the first annual general meeting of the Company following the fifth anniversary of Initial Admission. If the Continuation Resolution is passed, the Directors will put a further Continuation Resolution to Shareholders at the annual general meeting of the Company every five years thereafter.

If a Continuation Resolution is not passed, the Directors are required to put forward proposals for the reconstruction, reorganisation or winding-up of the Company to the Shareholders for their approval within six months following the date on which the relevant Continuation Resolution is not passed. These proposals may or may not involve winding-up the Company or liquidating all or part of the Company's then existing portfolio of investments and, accordingly, failure to pass a Continuation Resolution will not necessarily result in the winding-up of the Company or liquidation of all or some of its portfolio of Investments.

12 C SHARES

If there is sufficient demand from potential investors at any time following Initial Admission, and the majority of the Initial Issue proceeds have been committed, the Company may seek to raise further funds through the issue of C Shares.

The Company has Shareholder authority to issue up to 250 million C Shares, on a non-pre-emptive basis, following Initial Admission, pursuant to the Placing Programme described in Part 6 of this Prospectus or otherwise.

C Shares may be issued pursuant to the Placing Programme described in Part 6 of this Prospectus. The issue of C Shares is designed to overcome the potential disadvantages for both existing and new investors, which could arise out of a conventional issue of further Ordinary Shares for cash. In particular:

- the C Shares would not convert into Ordinary Shares until at least 90 per cent. of the net proceeds of the C Share issue (or such other percentage as the Directors and Investment Manager may agree) have been invested in accordance with the Company's investment policy (or, if earlier, six months after the date of their issue);
- the assets representing the net proceeds of a C Share issue would be accounted for and managed as a distinct pool of assets until their conversion date. By accounting for the net proceeds of a C Share issue separately, Shareholders will not participate in a portfolio containing a substantial amount of uninvested cash before the Conversion Date;
- the basis on which the C Shares would convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares would become entitled will reflect the relative Net Asset Values per Share of the assets attributable to the C Shares and the Ordinary Shares. As a result, the NAV per Ordinary Share can be expected to be unchanged by the issue and conversion of any C Shares; and
- the NAV of the Ordinary Shares would not be diluted by the expenses of the C Share issue, which would be borne by the C Share pool.

The Articles contain the C Share rights, full details of which are set out in paragraph 3 of Part 8 of this Prospectus.

The Directors have the authority to issue C Shares as set out in paragraph 11 above.

13 DISCLOSURE OBLIGATIONS

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) ("DTR 5") of the FCA Handbook apply to the Company on the basis that the Company is a "UK issuer", as such term is defined in DTR 5.

As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a UK issuer 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

14 THE TAKEOVER CODE

The Takeover Code applies to the Company.

Given the existence of the buyback powers described at paragraph 11 above, there are certain considerations that Shareholders should be aware of with regard to the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires shares which, taken together with shares already held by that person or shares held or acquired by persons acting in concert with that person, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not

more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A shareholder who is neither a director nor acting in concert with a Director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code where a person has acquired shares at a time when that person had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. The buyback powers should enable the Company to anticipate the possibility of such a situation arising. Prior to the Board implementing any share buyback the Board will seek to identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 3 of Rule 37. However, neither the Company, any of the Directors, the AIFM, nor the Investment Manager will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

15 TAXATION

Potential investors are referred to Part 7 of this Prospectus for details of the taxation of the Company and of Shareholders resident for tax purposes in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

16 RISK FACTORS

The Company's business is dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "Risk Factors" on pages 11 to 20 of this Prospectus.

PART 2

BACKGROUND TO THE SUSTAINABLE FUTURE INVESTMENT STRATEGY AND OUTLOOK

1 INTRODUCTION

Interest in sustainable investing and ESG issues has never been greater, with the Covid-19 pandemic adding to concerns such as the climate crisis, pollution in the sea, overfishing, collapsing biodiversity and social inequality. Whether David Attenborough's TV documentaries, protests by the Extinction Rebellion, or policy recommendations from bodies such as the UK Committee on Climate Change, the Investment Manager believes it is difficult not to be aware of the urgency of action needed to tackle these crises. This action includes reaching targets such as the reduction of greenhouse gas emissions to net zero by 2050.

History shows that meeting these challenges requires society, governments and business to work together to develop the solutions. The Company aims to invest in precisely those Sustainable Companies developing the new technologies and innovative products that will help to meet these challenges and benefit people, society and the planet – and therefore lead to a more sustainable world. Because these Sustainable Companies tend to experience strong and long-term growth, they can provide the ingredients for an investment process that delivers strong returns.

The individuals in the Sustainable Investment Team were among the pioneers of sustainable investing when they launched their first funds in 2001 and were founding members of the PRI ("**Principles for Responsible Investment**") in 2005. With the Team celebrating 20 years of managing sustainable funds in 2021, the Company is being launched as a new investment trust that will provide Shareholders with the opportunity to invest in the shares of between 25 and 35 businesses around the world which exhibit, in the Investment Manager's assessment, leading sustainability characteristics alongside business models that will generate strong returns in profitability and share price.

The Company will use a high-conviction, bottom-up investment approach that is designed to capture long-term investment opportunities from transformative changes in the global economy, tied to the idea that over time economies become more sustainable. It aims to outperform, on a NAV total return basis, the MSCI World Index (in Sterling terms), the Company's Reference Index, and to demonstrate the positive contributions that the Investments held within the portfolio have on the planet and society.

The Investment Manager will also commit to fund research and develop investment instruments targeting hard to invest in SDGs set out below. This may lead to the Company investing in these instruments if they are consistent with the Company's investment policy.

The following SDGs will be taken into consideration:

SDG 1: End Poverty – for example, provision of access to loans at fair rates for those in poverty.

SDG 2: End Hunger – for example, investment in food production and distribution in developing regions.

SDG 14: Life Below Water – for example, development of bonds in blue carbon (marine sequestration of carbon dioxide) or to back marine protected areas.

SDG 15: Life on Land – for example, bonds to back biodiversity or carbon and biodiversity enhancement through reforestation.

2 WHAT IS SUSTAINABLE INVESTMENT?

The Investment Manager believes that there are three core approaches that funds take to sustainable investment. The first and traditional approach is to avoid certain industries mainly because of the negative effects of their products and services, with the classic examples being tobacco companies and producers of weapons.

There are other, arguably more interesting, investment approaches, however. One is to invest in sustainable themes, which can be referred to as positive screening because of a fund's focus on what it wants to invest in rather than what it excludes. This approach seeks to identify companies that will

have a positive impact on the world and which will benefit financially from doing so. Funds may be concentrated on single investment themes such as environmental technology, renewable energy or water. Others have multiple sustainability themes that can include the energy transition, healthcare and resource efficiency.

The third approach is engagement, also known as active ownership. This is where fund managers engage with the companies they invest in so that they can influence management into changing positively the strategy or operational management. This can also be reflected in voting at annual general meetings to impact the business. For example, this could be to improve diversity, labour rights in the company's supply chain, employee safety or other environmental, social or governance issues.

The Investment Manager will use all three of these approaches in managing the Company's portfolio, with further details set out in Part 3 of this Prospectus.

3 WHY NOW?

“Humanity has the ability to make development sustainable to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs. The concept of sustainable development does imply limits – not absolute limits but limitations imposed by the present state of technology and social organisation on environmental resources and by the ability of the biosphere to absorb the effects of human activities.” (Gro Harlem Brundtland, who chaired a pioneering commission on sustainable development, from 1987).

On a social level, it can be seen that the amazing success of the market-based economy at generating wealth has not fed through to all. This can be seen in any major city, including in the US and UK, where wealth and opulence exists alongside soup kitchens and the homeless who have not experienced any trickle-down effect of economic growth.

It is obvious the system is not working when in a country as wealthy as the US, those essential nurses, carers and teachers cannot afford housing in the areas where they work and particular ethnic groups are persistently disadvantaged.

In terms of the environment, humans have drastically decreased the resilience and abundance of the natural ecosystems upon which humanity ultimately relies. The chemistries of the atmosphere and oceans are being altered in ways that will negatively impact future generations, and, on land, soil is being depleted more rapidly than it can possibly be replenished.

A financial value is not ascribed to oceans and the atmosphere in spite of the understanding of how essential they are to the livelihoods of all humanity as well as those of future generations; the system is definitely not working for the environment either.

And yet, despite all this, it is the Investment Manager's belief that the system of capital markets and competition between companies has to be a major part of the solution to these failures and challenges. People working together with companies, putting capital to work towards a common purpose, has delivered immense good in many areas. Much of the progress towards the higher quality of life and reduction in poverty has been at least partially driven by this, leading to vaccines and cancer treatments, solar and wind generators, electric vehicles, LED lighting, the internet and modern communications and countless other products and services that make lives better and more sustainable.

In the Investment Manager's opinion, the best outcomes have occurred in situations where societies, via their governments, set the correct framework, and then profit-driven, competing companies deliver the solution. Three examples are the improvements in air quality, and reduction in child mortality and road casualties.

Air quality in many cities across the world is improving: in New York, where air quality is cleaner than since monitoring began, and in London, sulphur oxides and nitrogen oxides and particulates are a fraction of their levels in 2000. Despite huge improvements, however, 99 per cent. of London still has particle pollution levels above the World Health Organisation's recommended limits and, during lockdown, air pollution fell in London by up to 50 per cent. at commuter hotspots.

Perhaps the best indicator of progress here is in child mortality – deaths of children under the age of five. In China, there has been a fourfold reduction, and even in the UK, with its already low rate, this

has fallen by 40 per cent.. A child born at the start of the twentieth century had a one in five chance of not reaching their fifth birthday, whereas that figure has now improved to one in 250.

And fatalities and casualties in road accidents in the UK have halved since 2000 and continue to fall.

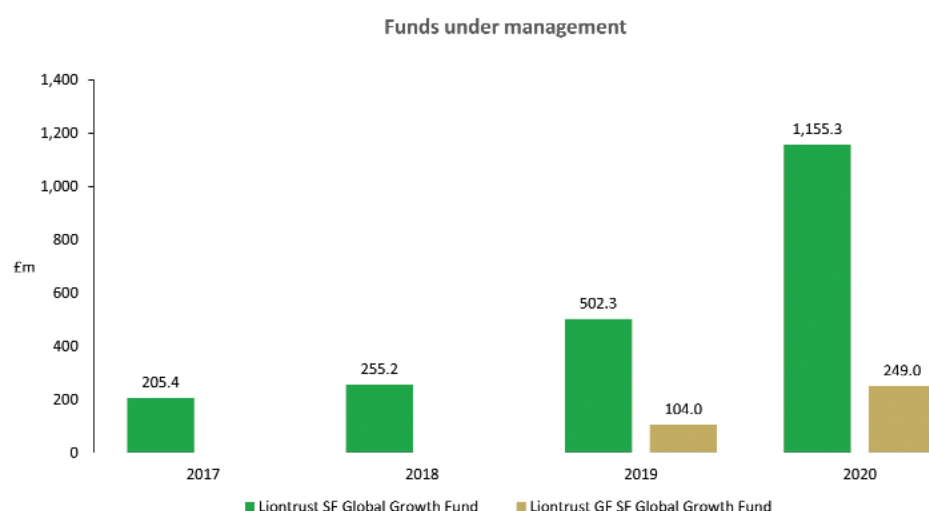
The Investment Manager's investments in businesses focused on innovative healthcare, energy efficiency, waste recycling, renewables and mobile networks over the past 20 years have been successful precisely because these companies have provided something positive that society needs. The Investment Manager believes that the best investments have been in companies doing this better than their competitors and then reinvesting in the business to deliver future growth.

The Board and the Investment Manager, therefore, believe there is a clear alignment in the Company's aim of delivering strong returns by investing in Sustainable Companies. Far from being an approach that compromises returns, the Investment Manager firmly believes it is one that complements the investment selection process, focusing only on those companies well-positioned for the enormous changes it expects to see in the years ahead.

Research conducted for Liontrust in December 2020 reveals that 78 per cent. of wealth managers and 71 per cent. of financial advisers have seen an increasing proportion of their clients investing in sustainable companies over the past year (source: Research in Finance, 49 wealth managers and 96 financial advisers). This rise has been attributed to a greater awareness of sustainable investing, the benefits of taking this investment approach in terms of performance, and the social impact derived from it; this awareness has been further increased by the Covid-19 pandemic.

The Investment Manager has seen this trend in the open-ended funds that it manages as demonstrated in the graph below.

Sustainable Future Global Growth Equity Fund assets



Source: Liontrust, 31.12.20

When looking forward, research conducted for Liontrust in 2020 showed this momentum should only increase. At the end of 2019, in a previous piece of research also conducted with wealth managers and financial advisers, 67 per cent. of intermediaries said they expected an increase in the number of their clients investing in sustainable companies. By December 2020, this percentage had risen to 78 per cent.; 90 per cent. of wealth managers expected an increase against 73 per cent. of financial advisers.

The research also showed that 75 per cent. of consumers consider sustainability to be an important part of their everyday life but just 41 per cent. of these people invest in Sustainable Companies (source: Research in Finance, 500 consumers). Of those who do not invest sustainably, 80 per cent. were aware of sustainable investment, showing the potential for growth.

While there are now numerous open-ended fund offerings for sustainable investment strategies, the Investment Manager believes that there are few closed-ended investment companies focussed in this area. This is surprising given the long-term, permanent nature of investment trusts, their strong governance and oversight and the fact that their provision of a fixed pool of capital lends them to a sustainable investment approach.

A sustainable society needs to provide opportunities for everyone to live purposeful, fulfilled lives; it also needs to operate within planetary boundaries in a way that preserves and even enhances nature.

The Investment Manager believes that one cannot happen without the other and that, as an investor, the Investment Manager can have an influence on how companies operate. The Investment Manager can encourage them to prepare for the move to a low carbon economy; to increase employee social diversity; to have strong oversight of their supply chains; and to improve resource and water use. There is still a long way to go to reach an entirely sustainable and inclusive model of capitalism but, as sustainable investing grows, it is helping to accelerate this transition.

In the opinion of the Board and the Investment Manager, therefore, the Company represents a timely contribution to the solution. The Company will invest in what the Investment Manager deems to be the optimum portfolio of Sustainable Companies in the world; while the Investment Manager will use of part of its management fees to fund high impact sustainable projects, initially focused on SDGs that are otherwise outside the scope of traditional investments.

4 WHY LIONTRUST?

Liontrust Asset Management PLC, the holding company of the Liontrust Group, is a specialist fund management company established in 1995 and listed on the London Stock Exchange in 1999 and is a member of the FTSE 250. Headquartered on the Strand in London with additional offices in Edinburgh and Luxemburg, the Liontrust Group currently employs 198 staff and has £30.9 billion in assets under management and advice (“AuMA”), as at 31 March 2021, of which more than £9 billion is managed by the Sustainable Investment Team.

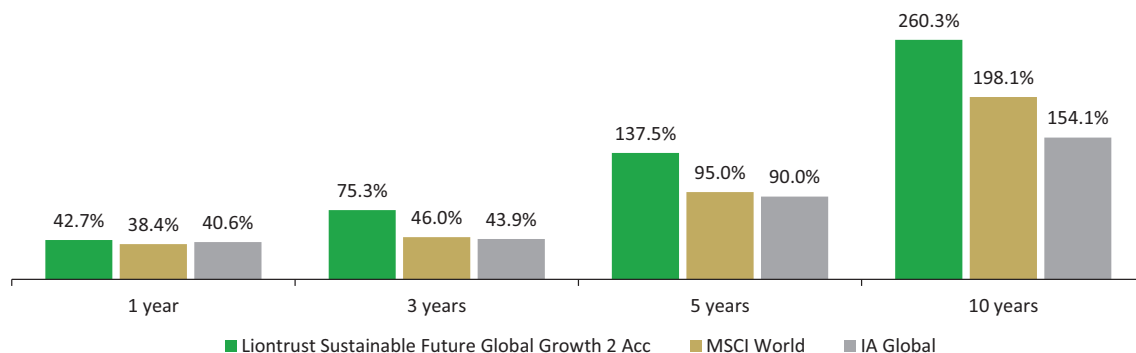
The Sustainable Investment Team has demonstrated for over 20 years that its investment process can deliver superior returns over conventional funds and the Team has a track record of investing in companies to help create a cleaner, healthier and safer world while delivering returns to investors that outperform mainstream funds and indices. Over the year, eight of its ten UK-registered funds were first quartile in their peer groups and the same eight were also top quartile over three years and five years to the end of 2020. Liontrust has also won numerous accolades and awards for the performance of its Sustainable Investment Team including: Investment Week Fund Manager of the Year Awards in 2020 for the Liontrust SF Cautious Managed and Liontrust SF Managed funds; Best ESG Fund (Liontrust SF Global Growth Fund) at the Portfolio Adviser Fund Awards 2020; Best Active Ethical/Sustainable Fund (Liontrust SF Global Growth Fund) at the AJ Bell Fund and Investment Trust Awards 2019; and Mixed Asset Fund of the Year (Liontrust SF Managed Growth Fund) at the FT Adviser 100 Club Awards 2019.

Liontrust’s purpose is to have a positive impact on its clients, stakeholders and society. The Investment Manager aims to do this by providing an environment which enables the fund managers and staff to flourish, helping its clients achieve their financial goals, supporting companies in generating sustainable growth and empowering and inspiring the wider community.

The 13-strong Sustainable Investment Team is headed by Peter Michaelis and has been managing sustainable funds for 20 years. The Sustainable Investment Team has consistently led on sustainability issues, for instance not owning companies exposed to diesel engines, coal and oil (in 2001) and moving to exclude natural gas (from 2016) and the award-winning Team were among the pioneers of sustainable investing when they launched their Sustainable Future fund range in 2001, becoming founding members of the PRI and engaging on issues that are now central to mainstream investing.

The Team has a proven investment process and a track record of outperforming mainstream funds and benchmarks over different time periods and economic and market cycles such as the Investment Association’s Global sector, along with providing evidence of the impact of its investments on sustainable development and the Team’s engagement with companies held within portfolios. Set out below is the net of fees total return performance of the Liontrust Sustainable Future Global Growth Fund (which is the fund that is most directly comparable to the investment policy of the Company and using the Class 2 Accumulation unit, which is available to all investors, including retail investors.)

Cumulative returns



Fund performance to 31.03.21	Comparator benchmarks	1 Year	3 Years	5 Years	10 Years
Ranking		163/357	21/312	15/269	17/178
Quartile	IA Global	2	1	1	1
Relative performance (%)		+2.1	+31.4	+47.5	+106.1
Relative performance (%)	MSCI World	+4.3	+29.3	+42.5	+62.2

Source: Liontrust, FE Analytics, 31.03.21, Total return in GBP (net of fees, income reinvested), primary share class. Cumulative performance, against the comparator benchmarks MSCI World and IA Global sector. Inception date for this Fund is 19.02.01. Quartile rankings as at 31.03.21, generated 08.04.21. Relative performance is Fund performance less comparator benchmark performance

The data set out above refers to specific past performance and should not be considered a reliable indicator of future results.

The heart of the investment process is the identification of the key structural growth trends that will shape the sustainable global economy of the future. These form the Team's 21 sustainable themes, within which they identify aligned companies. Further analysis hones this list of companies down to those that exhibit superior sustainability management, will deliver persistently high returns on equity and are attractively valued on a five year-view. Where all these criteria are satisfied, it becomes a potential investment for the Investment Manager's equity portfolios.

This approach led to a refusal to invest in companies exposed to aviation, coal, oil or (internal combustion engine) autos in launching the SF Funds in 2001. In 2009, the Team began monitoring the carbon footprint of the SF Funds and in 2016 also excluded companies exploring for or producing natural gas. The Team's latest initiative is the One and a Half Degree Transition Challenge that was launched in early 2020. This is calling for all companies held within the SF Funds to explain how they plan to decarbonise their businesses to limit global warming to 1.5 degrees. Over 200 companies held across the SF Funds had until the end of 2020 to provide a plan for how they are going to reach zero carbon emissions and over what time period this will be achieved. The Team will use all measures at their disposal, including voting and ultimately divesting over time, to persuade companies to reduce their emissions.

The Investment Manager believes that there are four key drivers behind why it is best placed to deliver superior long term sustainable returns to Shareholders, which are:

Integration: Each member of the Team is an analyst and is responsible for conducting research on a given sustainability theme and the sustainability analysis of potential investments. As each member of the Team is also responsible for the business fundamentals and valuation analysis, the Investment Manager believes it derives an information advantage that would be lost if these roles were separate. Because of this approach, the Team engages with companies across a broad range of issues relating to different stages in the process, including screening criteria, sustainable investment themes and company-specific ESG issues.

Time Arbitrage: the second competitive advantage the Investment Manager believes it has is one that is often labelled 'Time Arbitrage'. Jeff Bezos articulated this brilliantly in an interview in 2011: *"If everything you do needs to work on a three-year time horizon, then you're competing against a lot of people. But if you're willing to invest on a seven-year time horizon, you're now competing against a fraction of those people, because very few companies are willing to do that. Just by lengthening the*

time horizon, you can engage in endeavours that you could never otherwise pursue.” The Investment Manager thinks the same applies to the investing community. Although many investors claim to have a long-term approach to investing, the data does not support this. Estimates vary wildly, but the consensus from the work that Liontrust has seen published is that average holding periods for fund managers are less than 12 months. The nature of the Investment Manager’s style of investing – identifying structural trends driven by sustainability – is one that is more suited to decades rather than months. By having a longer time horizon than most, the Investment Manager can patiently invest in businesses it believes have years of growth ahead, and take advantage of dislocations in the market when these businesses are trading considerably below what the Investment Manager believes they are worth.

Engagement: Alongside the positive investment performance, the Sustainable Investment Team also has a history of successful engagement. Engagement is an integral part of how the Team invests, ensuring a focus on high-quality equities and bonds. In 2019, for example, the Team met with 185 companies face to face, raised 245 key ESG issues and voted against management or abstained on proposals in at least one vote in 62 per cent. of votable meetings. Engaging on key ESG issues gives the Team greater insight, helps to identify leading companies and is used as a lever to encourage better business practices. The Team engages with companies across a broad range of issues, from the climate emergency through to diversity, employment and tax practices, cybersecurity and corporate governance. Over the last four years, for example, the Team has seen meaningful progress on board gender diversity for companies in the SF Funds and, although there are other external factors, the Investment Manager believes its voting and engagement with these companies has directly contributed to improvements. Since the earliest days of the SF Funds, labour standards in supply chains has been an important engagement area and the Team has been involved in several major projects designed to improve this, including Oxfam’s launch of Better Returns in a Better World in 2006 to Fashion Revolution, formed in the wake of the 2013 Rana Plaza disaster.

Impact: Since 2015, the Team has shown how its themes and investments are contributing to the SDGs. The Team also reports on the impact of the Investment Manager’s investments, such as the fact that, on average, the investments in the Liontrust SF Global Fund are emitting 88 per cent. less carbon dioxide than the average investee company in the markets in which they are invested.

The Investment Manager prides itself on its transparency, having for many years published all of its holdings and being willing to explain the rationale for any holding. The Investment Manager’s ethos is that there should be no surprises in the companies it invests in given its stated approach to sustainable investment.

A final differentiator of the Sustainable Investment Team is the fact that it manages fixed interest and equities within the same team. In the Investment Manager’s opinion this gives it a more comprehensive perspective of capital markets and the integration of sustainability therein.

The Team’s approach means it has a distinctive skill set, comprising experienced investors and younger talent. The Team includes individuals with the Chartered Financial Analyst (CFA) professional qualification, as well as individuals with postgraduate qualifications in ecology and environmental economics, which provide the foundation for the Team’s integration of sustainability into its investment process. What the individuals in the Team share is a common drive to show there is a better outcome for people and the planet by investing sustainably, which benefits Liontrust’s clients and will benefit the Company and its Shareholders.

The three lead managers of the Sustainable Investment Team are:

Peter Michaelis

Peter Michaelis joined Liontrust in April 2017 as part of the acquisition of Alliance Trust Investments, where he was Head of Investment. Peter has been managing money in Sustainable and Responsible Investment for over 20 years. After completing a PhD in Environmental Economics, Peter started his career working for the Steel Construction Institute as an Environmental Engineer. He then moved to Henderson Global Investors where he was able to use his experience as a Sustainable and Responsible Investment Analyst and Assistant Portfolio Manager. In 2001, he moved to Aviva Investors (previously Morley Fund Management), where he was promoted to lead portfolio manager on a number of its Sustainable and Responsible Investment funds, before being made Head of Sustainable and Responsible Investment.

Simon Clements

Simon Clements also transferred to Liontrust in 2017 having spent five years at Alliance Trust Investments. Prior to this, he spent 12 years at Aviva Investors (previously Morley Fund Management) where, most recently, he was head of global equities. Earlier in his career, he worked as a portfolio accountant and risk and performance analyst before joining Aviva Investors in 2000 to help develop its global equity and socially responsible investment propositions. He is currently the lead manager of the SF Global Growth fund and the SF Absolute Growth fund, and co-manager on the SF Managed, SF Cautious Managed and SF Defensive Managed funds. He holds a BA in economics from the University of Newcastle, Australia and a graduate diploma in applied finance and investment from the Securities Institute of Australia.

Chris Foster

Chris Foster also moved to Liontrust in April 2017 with the acquisition of Alliance Trust Investments. Chris joined Alliance Trust Investments through their management training programme after graduating with a First Class Honours degree in Economics and Mathematics from the University of Edinburgh. During his two year graduate scheme, Chris completed rotations in Alliance Trust Savings, Fund Sales, and Equity Investments. Chris is a CFA Charterholder.

The Team is supported by an advisory committee of five experts in sustainable development who guide the Team's longer-term thinking. The committee members are:

Sophia Tickell

Sophia Tickell is Co-founder and Director of Meteos, a non-profit company, which runs senior dialogues, focused on finance, health and the environment. She is the author of 'Banking on Trust', 'Vital Connections: Science, Society and Sustaining Health', the EnergyFutures report, and the PharmaFutures series. Sophia was previously Chair of the Board at SustainAbility Ltd and led Oxfam's policy work on the private sector. Sophia is also Non-Executive Director of Liontrust Asset Management PLC.

Tony Greenham

Tony Greenham is Director of Economy, Enterprise and Manufacturing at the RSA (Royal Society of Arts, Manufactures and Commerce), where he leads a programme of policy research into the future of work, social impacts of technology, green industrial strategy and economic democracy. He is a former corporate stockbroker and has written extensively on financial sector reform including the undergraduate economics textbook 'Where Does Money Come from?'.

Jonathon Porritt

Jonathon Porritt is Founder Director of Forum for the Future, the UK's leading sustainable development charity. His book, 'The World We Made', seeks to inspire people about the prospects of a sustainable world in 2050. He is also Chancellor of Keele University and President of The Conservation Volunteers and former Chair of the UK Sustainable Development Commission.

Tim Jackson

Tim Jackson is Professor of Sustainable Development at the University of Surrey and Director of the Centre for the Understanding of Sustainable Prosperity (CUSP). From 2004 to 2011, he was Economics Commissioner on the UK Sustainable Development Commission, where his work culminated in the publication of the controversial bestseller 'Prosperity without Growth – economics for a finite planet'.

Valborg Lie

Valborg Lie is Stewardship Manager at LGPS Central, responsible for bespoke engagement and voting services to support investment objectives. She has a wealth of experience, working on responsible investment (RI) issues over the last 15 years. From 2005 to 2013, she worked as Head of RI within the Norwegian Ministry of Finance, overseeing the management of the Norwegian Government Pension Fund Global (GPFG), one of the biggest sovereign wealth funds globally. Valborg leverages an

exclusive network of institutional investors and sovereign wealth funds globally to help promote and build RI best practices.

5 OUTLOOK

Covid-19 has enforced massive change around the world, with years of behavioural shifts squeezed into weeks and months. But despite its impact on the health of the population, livelihoods and economies, one thing this crisis has not altered is the Investment Manager's belief that companies exposed to sustainable themes will continue to see strong growth in coming years.

The Team believes the longer-term implications of the pandemic for the next decade and beyond will result in some lasting changes in how society thinks and should ultimately support and accelerate their themes towards an economy that is cleaner, healthier and safer, as well as more equitable.

The Investment Manager expects to see shifting priorities in certain areas after this pandemic, from realising that a good healthcare system is worthwhile, remunerating key workers properly and addressing inequality (and removing the 'low-skilled' designation), to recognising the value of understanding supply chains and how things get to the shelves.

Of course, any activity will be constrained to some extent by the debt built up to fund current emergency measures but what politicians decide should ultimately be what society wants and the Investment Manager believes there will be significant shifts in the prior consensus:

- People will become more risk averse and save more, if they can, and be more discerning in what they buy. Buying more insurance to manage unforeseen shocks could be another result and the Investment Manager would expect to see proactive insurance companies benefit.
- Banks may regain some of the credibility lost in the global financial crisis through their support of businesses.
- The desire to eat healthier food and exercise will persist.
- People will continue to demand improvements in local air quality for the health of their families. Links between local air pollution and fatality rates from Covid-19 (even small changes in air quality could result in significantly higher fatality rates) will only serve to accelerate this.
- Efficiency in the use of materials and the desire to make industrial and agricultural improvements will persist. This will also be true for how society manages water and waste.
- Being forced to work remotely and productively means people will do this more, saving time and resources.
- Healthcare systems will be more supported and activity around managing diseases should be bolstered.

Overall, the Investment Manager believes many of the changes arising from the Covid-19 crisis are about doing things smarter and taking a longer-term view. This is closely linked to the Investment Manager's philosophy and many potential changes are directly aligned with its twenty-one themes (which are explained in Part 3 of the Prospectus), and this means they will accelerate positive trends that are already happening.

The products and services that companies provide, as well as how they are managed, will continue to influence their future success. Integrating this knowledge into the core of the Investment Manager's investment decisions and using it to differentiate between companies, the Investment Manager believes, will be a key ingredient in successfully navigating the investment landscape of the future.

The good news is that capitalism is adaptive by nature. Those companies that successfully deliver solutions to these challenges will prosper; those wedded to the old ways will struggle. The Investment Manager believes that over the coming years, sustainable investing will continue to lead in finding and backing companies making the world cleaner, healthier, safer and fairer, and recent events have only served to accelerate these trends. The Investment Manager's strategy continues to be to invest in a broad range of these structural growth drivers.

Here are what the Investment Manager believes to be six of the key investment themes of the future:

Cities

- The trend of increasing urbanisation will continue, with over half of the global population likely to be city dwellers by the early 2040s. Nearly all this growth will occur in Asia and Africa.
- Current cities emit 50 per cent. to 60 per cent. of global greenhouse gases and will have to invest in retrofitting and adapting existing infrastructure to mitigate environmental impacts and adapt to the changing climate.
- Cities at their best enable a high quality of life with low impacts. This requires infrastructure investment, community planning, water management and efficient mass transport, with thermally efficient buildings essential. Widespread digital connectivity, combined with strong local communities, also reduces the need for travel.
- Buildings and infrastructure will be designed for low life-cycle impact using Building Information Modelling (BIM) software that minimises the impact of construction, use and demolition/recycling. Cities will also be increasingly designed with biodiversity in mind, such as Milan's 'treescrapers' for example – two residential tower blocks built in 2014 that are covered in 800 trees, 4,500 shrubs and 15,000 plants.

Healthcare

- The Investment Manager expects to continue to see significant advances across areas such as gene editing and DNA sequencing and these are revolutionising how treatment is considered.
- The traditional model has a large element of trial and error, with people seeking help when they feel ill and hoping whatever drug or procedure prescribed is effective – but this intervention often proves too late. A move towards a more personalised system where an understanding of how someone's genetic make-up makes them vulnerable to diseases.
- In the coming years, this paves the way for early diagnostics and pre-emptive treatment, testing babies before birth and adults early and on an ongoing basis. The Investment Manager expects to see the price of sequencing the genome continue to fall, equipment for these tests become more prevalent (diagnostics platforms are now more commonly deployed), and testing more convenient. Liquid biopsy, for example, allows cancer detection from blood rather than having to take a tissue sample, removing pain and inconvenience from the process.
- The Investment Manager also expects to see fewer chronic treatments (taking a pill every day) and more one-off via gene editing or therapies. Diagnostic progress allows greater understanding of diseases and more personalised treatment: 'one and done' correction of genes that cause problems (at source), ongoing testing to identify and treat diseases earlier and more exciting and targeted vaccines. Messenger ribonucleic acids technologies can help treat cancer for example, moving beyond the more traditional vaccinated areas.

Transport

- The Investment Manager expects that electric vehicles will be the dominant form of passenger transport and the combustion engine an antique as quiet, clean cities become the norm. Cars will be charged from solar panels connected to houses and battery technology will develop such that refuelling is a thing of the past.
- Development of electric passenger planes is also beginning to be adopted. Their cost advantage (fuel is around 15 per cent. of the cost of flying, which is removed) will lead to smaller aircraft flying regional routes more regularly, and technology will replace long queues to check in at airports. This will make flying a more pleasurable and customer-friendly experience.
- High-speed trains will also provide competition for regional travel, with their relative comfort and convenience combined with the fact that technological advances ensure you can get from London to Paris in under an hour.

- Autonomous vehicles will be the norm for deliveries of food and parcels, as well as taxis and other forms of transportation. Driving your own car will never be fully autonomous, with the safety system taking control of braking and moving lanes/turning.
- Overall, the Investment Manager predicts road accidents will be very rare, air quality substantially improved and transportation a much more pleasurable experience by 2041.

Energy

- The electricity society consumes will primarily come from renewable sources and be delivered through a hugely upgraded and more intelligent grid that includes demand side management.
- Many things that currently consume fossil fuels will have switched to be powered by electricity, such as electric vehicles and heat pumps to heat and cool buildings.
- As stated, the proportion of cars that run on the internal combustion engine will be much smaller than now and falling away to antique status.
- There will be a broader understanding of reducing wasted energy through energy efficiency and significant efficiency gains in new buildings as well as many industrial processes. Waste recovery systems will be much smarter to facilitate much higher recycling rates.

Communication

- The digital economy is increasingly central to a properly functioning global economy and this will continue to increase over the coming decades. Digital technologies can enhance the productivity and reliability of a wide range of sectors and improve quality of life through positive impacts in areas including health and education.
- The Investment Manager expects to see ongoing shifts in the future of networking, systems, applications and services and, as part of that, any negative impacts and concerns around privacy, surveillance and disinformation, as well as use (or overuse) of technology will need to be addressed.
- The internet will continue to play a vital role in how we communicate but artificial intelligence could potentially personalise our experiences within platforms and quantum technologies and computing make networks faster and more available. Fibre optic cables' data carrying capacity has increased in recent decades and the scale and speed of electronic digital signal processing is likely to continue, up to the theoretical limits of computing.
- Satellites and aerial technology will enable faster access for everyone, including those in remote locations. Developments are likely to result in increased coverage and better and faster services, such as data transfer. The coming years could see a shift towards cell free networks, where users are surrounded by antennas rather than the other way around.
- The world will move towards the internet of things where devices are connected to enhance our experience and provide access to services such as remote medical care. There may be a move from the 2D experience on flat-panel devices to 3D where we extend the experience beyond sight and sound through improved sensors or body sensory systems.
- The Investment Manager also expects to see advances in augmented reality – viewing the world through a technological overlay is likely to become more advanced and available and language barriers may continue to reduce as we rely more on translation software integration.

Finance

- Commoditisation of mainstream banks will continue with technology-first businesses continuing to eat into their profits and more companies that nominally have nothing to do with financial services making significant profits from this area.
- Physical cash will be a thing of the past, helping to reduce both the tax gap and the shadow economy.

- Some governments might have their own cryptocurrency and these will be far more assimilated into everyday transactions.
- Everyone, regardless of their socioeconomic status or geography, will have access to affordable financial services, with a cashless payment and savings system fostering greater financial inclusion in currently underbanked countries.

The Investment Manager believes investors will want greater transparency on the nature of the companies in their portfolios – attribution by investment return is not enough – and to see alignment with decarbonisation, health outcomes and diversity targets met. Alongside the question of the return an investment has delivered, there will be the question of what impact an investment has had on people and the planet, and investment managers will have to be in a position to answer positively to both. The Investment Manager continues to measure the impact of its portfolios, including by:

- clearly articulating exposure to the Investment Manager's 21 sustainable investment themes;
- clearly showing how these themes directly contribute to the SDGs at the specific performance indicator level of the goal;
- engaging with companies in which the Investment Manager is invested to measure and communicate the primary impacts of the products or services the business provides as well as how it is managing the main impacts from operations;
- showing the carbon impact/footprint of the Investment Manager's portfolios; and
- being transparent and disclosing this information to investors and shareholders.

If the current crisis has taught society anything, it is that it needs to face challenges head on and not to ignore them and hope that they go away.

PART 3

THE INVESTMENT MANAGER'S SUSTAINABLE FUTURE INVESTMENT PROCESS

PHILOSOPHY

The Investment Manager's Sustainable Future investment process is based on the Team's core belief that Sustainable Companies have better growth and are more resilient than the market gives them credit for. The Team uses this underappreciated advantage in seeking to outperform mainstream funds and indices through its strategy. In supporting these Sustainable Companies, the Investment Manager believes it is possible for the Team also to accelerate environmental and social improvements.

The Team is ultimately looking to invest in the economy of the future and to do this, it has identified twenty-one sustainable themes that are contributing in different ways to creating a cleaner, healthier and safer planet. The Team uses these themes to highlight companies on the right side of the transition to a more sustainable world; this focus on positive trends also naturally excludes areas it believes are harming the planet or its people, from fossil fuels to tobacco, arms and gambling.

On the positive side, the Team looks to invest in businesses proactively managing their interactions with society and the environment. The Sustainable Investment Team wants to invest in companies with leading processes in place to manage the issues key to their business; this will depend on the industry in question but includes areas such as customer relationships, employee satisfaction and retention, and supply chains, as well as energy efficiency, waste reduction and material recycling. The Investment Manager has long believed outperformance on social and environmental issues will deliver more resilient businesses over the long term.

Over two decades of managing the Liontrust Sustainable Future Funds, the Sustainable Investment Team's focus on businesses making the global economy cleaner, healthier and/or safer has been successful because these companies are providing goods or services that society or the environment needs. The Investment Manager believes that the best investments have been in companies doing this better than their competitors and reinvesting excess returns to deliver future growth.

The Investment Manager believes that companies exposed to its twenty-one themes (listed under "1. Thematic analysis" below) which are also managing the ESG aspects of their business well are likely to see stronger and more persistent performance than those that are not, allowing the Investment Manager to identify and invest in structural growth whatever the economic background.

The Sustainable Investment Team's process therefore comprises two core stages; **identifying superior stocks** (that meet its four criteria) and **building resilient portfolios** from these.

IDENTIFYING SUPERIOR STOCKS

There are four steps to identification of stocks eligible for inclusion in the portfolio:



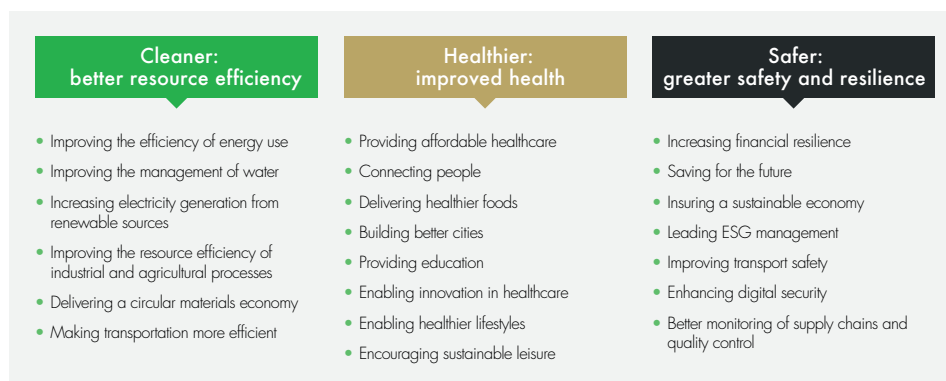
1 Thematic analysis

The Investment Manager works to understand better the big sustainable trends that are happening and to analyse these themes to check which companies will be potential winners or losers from major, multi-decade changes in different parts of the economy. This helps the Investment Manager to identify potential areas of the economy and companies that could experience structural growth and helps to inform its investment decision and gives the Investment Manager conviction in the businesses in which it invests. It is the Investment Manager's view that most investors underestimate the speed, scale and persistency of such trends within the economy.

The Investment Manager therefore looks at the world through the prism of three “mega” trends:

1. **Better resource efficiency (Cleaner):** using resources more efficiently (better management of water usage, increasing recycling of waste, lower carbon energy sources and energy efficiency).
2. **Improved Health (Healthier):** improving quality of life through better education, healthier lifestyles and diet or better healthcare.
3. **Greater safety and resilience (Safer):** making the systems we rely on safer or more resilient. This includes car safety, keeping our online data safe with cybersecurity and spreading risk through appropriate insurance mechanisms.

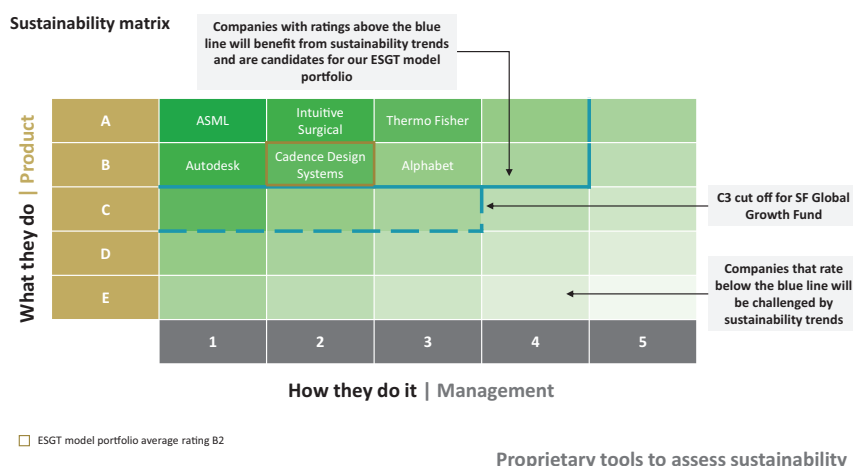
Within these three mega trends, the Investment Manager considers twenty-one separate themes:



The Investment Manager looks globally for companies that offer strong alignment with these themes. This means more than 50 per cent. of a company's revenues should be linked to at least one theme. These themes are at the heart of the Investment Manager's idea generation.

2 Sustainability analysis

While a company might have significant exposure to a theme, the Investment Manager also checks how sustainable, in its opinion, the rest of its activities are. For each business, the Investment Manager determines the key ESG factors that it believes are important indicators of future success and assesses how well these are managed via its proprietary “Sustainability Matrix”.



Every company is given a Sustainability Matrix rating, which analyses the following aspects:

- Product sustainability (rated from A to E): this assesses the extent to which a company's core business helps or harms society and/or the environment. An A rating indicates a company whose products or services contribute to sustainable development (via one of the investment themes); an E rating indicates a company whose core business is in conflict with sustainable development (such as tobacco or polluting activities such as coal fired electricity generation).
- Management quality (rated from 1 to 5): this assesses whether a company has appropriate structures, policies and practices in place for managing its ESG risks and impacts. Management quality in relation to the risks and opportunities represented by potentially material ESG issues are graded from 1 (excellent) to 5 (very poor).

Only companies which are rated A1-4 and B1-4 will be considered suitable for the Company's portfolio, providing an additional focus on companies delivering products and services which are broadly positive in impact on society and the environment. This is the highest threshold applied by the Investment Manager, whereas its other funds with sustainable investment strategies can also invest in companies rated C. Those companies that were assigned a product rating of A or B by the Investment Manager exhibited 5 year average outperformance against their relevant comparator benchmarks of 20 per cent. and 26 per cent. respectively. The model portfolio has an average product rating of B2.

Where the Investment Manager considers companies that have management ratings of 3 and 4, this recognises that the Investment Manager can engage with management of these businesses to improve the performance of investee companies with respect to SDG and other ESG indicators.

3 Analysis of business fundamentals

Companies in which the Investment Manager invests have robust business fundamentals with proven ability to deliver high returns on equity through sustaining margins and asset turnover. Typically, these companies have a maintainable competitive advantage through scale, technology or business models. For any company in which the Investment Manager makes an investment it would expect it to demonstrate the following:



4 Valuation analysis

The Investment Manager performs a valuation analysis filter, which ensures that all of the companies in which it invests are undervalued. The Sustainable Investment Team models five years of future revenues, margins and expected earnings and free cash flow.

The Investment Manager's forecasts deviate from its peers predominantly in the integration of different thematic growth rates, in its forecasting over longer periods and in its ability to understand the power of sustainable themes. The Investment Manager uses these financial forecasts to derive a future share price target that it believes the company can achieve. The analyst has to explicitly identify the appropriate type and magnitude of valuation multiple to use to determine the magnitude of undervaluation.

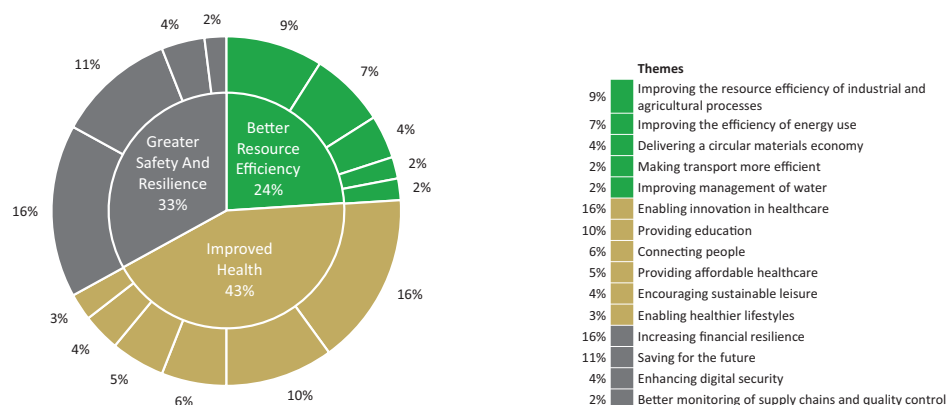
Only companies that have gone through the four steps set out above and have therefore passed all four of the "quality" filters will be eligible for investment by the Company. At the end of this filtering stage, the Sustainable Investment Team will typically have a focussed investment list from which to construct the portfolio. To be eligible for investment by the Company, the upside on a new investment must be at least

10 per cent. per annum on a five-year view. Companies that do not meet this final 10 per cent. hurdle, will remain on the watch list.

By combining the above four screening elements, the Investment Manager believes that it is able to select those companies with the best prospects of consistently delivering high impact and which are likely to generate strong investment returns.

BUILDING A RESILIENT PORTFOLIO FOR THE COMPANY

From the superior stocks identified, the Investment Manager expects to build the Company's portfolio, comprising between 25 and 35 companies best able to diversify risk and reduce the volatility of returns. This should result in exposure across a wide variety of industry sectors (via a spread of the Investment Manager's sustainable themes) and should benefit from potentially distinct and uncorrelated growth drivers. A breakdown of the model portfolio by "mega" trend and by theme is set out below.



Source: Liontrust / Factset 31.03.21

Outperformance should predominantly come from the stocks chosen by the Investment Manager, while disciplined portfolio construction aims to minimise the volatility of returns. The permanency of capital of an investment trust will enable the managers to be unconstrained by market cap and 39 per cent. of the model portfolio is invested in companies with a market cap below £5 billion.

The Investment Manager expects the Company to have low portfolio turnover, with holding periods anticipated to be typically greater than five years, and expects growth and quality to be key style features within the portfolio. In addition to continual monitoring of relevant news, research and price movements, there will also be annual reviews of every holding's investment thesis.

The Investment Manager expects that it will typically sell a holding in the Company's portfolio when it reaches a valuation where it cannot see further upside and the case for selling and recycling it into an investment with greater return prospects is compelling. Holdings may alternatively be sold when the future does not turn out quite as envisaged and events reveal a side to an investee company or sector that the Investment Manager did not anticipate. Where this negates the original investment thesis including the Investment Manager's ESG analysis, the Investment Manager would expect to sell the stock.

The Investment Manager will not formulate new reasons to hold on to an underperforming investment. Although selling is sometimes necessary, the Investment Manager will look through short-term fluctuations in markets or share prices and focus on the long-term investment horizon. The depth and rigour of the Sustainable Investment Team's research gives it the confidence to stand firm if the fundamentals are strong, even when the market moves against the Team.

IDENTIFYING FUTURE THEMES

Key to the Investment Manager's investment approach is looking ahead, often years into the future, and making decisions based on how it believes economies and societies will develop. The Team focuses on what it believes are the biggest issues of our time, hunting for companies that can make money from

solving these issues, while seeking to invest in the opportunities of maximum impact for maximum returns and this means getting ahead of the curve by identifying major transition points across sectors is vital. Examples have included autos, which continue to be transformed, or fashion, in which companies around the world have had to address serious deficiencies in labour standards.

Autos

Few would argue the car defined the 20th century in many parts of the world, but as we move through the third decade of the 21st century, we are at a tipping point in terms of humanity's relationship with the automobile. Once seen by teenagers as the ultimate passport to freedom, many now have serious issues with the emissions profile of the car industry and congestion in cities has also put a dent in the 'fun and convenient' image of driving.

Highlighting how the Investment Manager's thinking on autos has changed over the years, they removed "Improving the fuel efficiency of cars" during a review of their themes in 2018. This has long been a key tenet of sustainable investing but they are now keen not to distinguish cars from other forms of transportation, especially with the advent of autonomous vehicle fleets. As a result, the Team moved the theme into "Making transport more efficient". The Investment Manager also changed its "Improving auto safety" theme to "Improving transport safety" in 2020 as they do not assume cars will remain dominant, particularly with safe, efficient mass transport key to reducing emissions.

2001: In 2001, the Team started managing the SF Funds with a refusal to invest in companies exposed to petrol or diesel engines, believing the economics of a sector that basically emits poison into the air we all breathe were no longer viable. The Team finally saw regulation shift in this direction in 2009, with the EU introducing a 130g/km CO₂ target for new passenger cars, dropping to 95g/km by 2021.

2009: Beyond emissions, the auto industry has also had to face the problem that cars are fundamentally dangerous: while deaths caused by road accidents in the UK have been falling since the 1960s, thousands of people still die every year. This has required more and more safety measures and the Investment Manager identified an opportunity in French company Michelin, a world leader in the development of energy-efficient and safer tyres, in 2009. Again, the Team were ahead of the curve and, in 2012, the EU Commission moved to require tyre manufacturers to comply with labelling regulation to unify and clarify security requirements and efficiency.

2012: Better tyres was one of a raft of measures to improve safety but the initial focus remained very much on the people within the car – and data on accidents show half of those dying are either pedestrians or cyclists. The Investment Manager saw this as a problem that needed solving and identified stocks innovating in areas such as smart sensors and features for automated driving, including autonomous emergency braking (AEB). Once more, the Team saw regulations embrace these changes with Europe's New Car Assessment Programme (NCAP) including autonomous emergency braking as part of the requirements for its highest rankings from 2016.

Today: The Investment Manager is again seeking ways to get ahead of the regulatory and societal curves in this space, with driverless cars no longer the stuff of science fiction. Emissions controls have been an issue for decades but the Team believes something more fundamental is at work: the problem is not should we buy a diesel, petrol, hybrid or full electric car but rather whether to own a car at all. This is driving the notion of 'peak car' and the Investment Manager feels analysts are missing what the public is increasingly realising – driving is no longer fun or convenient.

The transport sector is shifting focus from traditional internal combustion engine and powertrain cars to auto safety, multi-modal transport and trains. For our own welfare and the planet's, we need to get away from the model of single ownership cars in clogged streets, and this continues to create opportunities for companies in electric transport.

Fashion

Fashion, by definition, is among the fastest-moving industries and one that has presented many challenges for sustainable investors over the years. The Investment Manager's work since 2001 also highlights how its thinking on themes can change and, in this instance, shines a light on its engagement efforts as an active owner of companies. In short, clothing supply chains have lengthened under relentless pressure on costs over recent decades as emerging economies have offered lower wages, weaker labour laws and tax breaks to win valuable contracts from major brands.

2006: Since the earliest days of the Investment Manager managing funds, labour standards in supply chains has been one of their most important engagement areas and there have seen several projects designed to improve this, from Oxfam launching Better Returns in a Better World back in 2006 to Fashion Revolution, formed in the wake of 2013's Rana Plaza disaster.

2009: The Investment Manager assessed the fashion industry's supply chains and the working conditions within them. The Team concluded conditions were unacceptable in a significant number, that change was coming and there were opportunities available to companies that could drive improvements. The Investment Manager focused on the need for decent work and wages throughout the chain and identified Inditex, the owner of the Zara brand, as they believed its proximity sourcing model allowed for a more sustainable form of manufacturing.

2013: This issue of unsafe working conditions came into sharp focus with the 2013 collapse of the Rana Plaza complex in Bangladesh, a disaster that resulted in the loss of more than 1,100 lives. Many of those killed were employed in the garment industry and change was urgently required. The Investment Manager was part of a coalition of shareholders representing around \$1 trillion in assets under management who engaged with companies following the disaster, and Adidas signing the Fire & Safety Accord in 2013 was particularly important.

2016: After many years of analysis, the Investment Manager concluded retailers had been unable to show sufficient improvements in the supply chain and the image of 'Fast Fashion' has become irrevocably damaged as a result. The theme exposed more risks than opportunities for the large retailers and the Investment Manager sold out of names including H&M and Inditex in 2018.

Today: This is not to say the Investment Manager no longer finds opportunities within this theme, and the Team now focuses on companies that assess supply chains on behalf of retailers. The testing, inspection and certification (TIC) industry is vital for sustainable development, ensuring the safety of the products both for the users and for the people making them. With more complex supply chains, product innovation, stringent regulations and ever-increasing consumer demands around sustainability, this sector enjoys a long-term structural growth rate that should continue to rise ahead of global GDP. Overall, the Investment Manager continues to believe unsafe and degrading working practices do not make business, common or investment sense and will continue to play their role in bringing them to an end.

ENGAGEMENT AND VOTING

All members of the Team conduct sustainability research alongside traditional financial and business analysis and are therefore best placed to conduct both engagement and voting. Engagement is resource-intensive but the Investment Manager's approach enables it to target engagement on material issues, maximising the information advantage and increasing its leverage with companies. The Investment Manager's approach is:

- **Proactive** – stated initiatives set each year.
- **Reactive** – initiated at the Investment Manager's request, arising from questions or concerns from the initial analysis of ESG issues, ongoing monitoring of holdings, emerging issues or controversies. Engagement also arises at the request of a company (e.g. offering feedback or guidance on ESG initiatives).
- **Collaborative** – with other investors.

For **proactive** engagement, the Investment Manager prioritise initiatives in collaboration with its Advisory Committee each year, assessing how portfolio holdings are positioned and defining targets. The Advisory Committee will oversee engagement efforts and plans and will ensure the Investment Manager remains focused on engagement that benefits the Company. For **reactive** engagement, the Investment Manager will identify issues through an annual sustainability analysis and external controversies data on each investee company. Where the Investment Manager can be more effective as part of a group, it will collaborate with other investors.

Generally the Investment Manager is a very active owner on behalf of its investors, typically voting against management of investee companies on at least one vote at around 60 per cent. of votable meetings. The Investment Manager's voting policies are structured by geographic area and it will

publicly disclose all of its decisions and the rationale for each vote. The Investment Manager will communicate its voting intentions to companies and will engage with them on issues of contention to effect change with a view to being able to vote in favour in subsequent years.

FEE CONTRIBUTION TO REACH FURTHER SDGS

The Company aims to deliver superior returns by investing in Sustainable Companies. In parallel to these returns, the Shareholders will also see how these Investments are contributing to improvements in society and a reduction in environmental impacts. These positive impacts are shown through alignment of portfolio companies to the sustainability themes; their linkage to the SDGs and specific reporting by the Company on measures such as carbon emission reduction.

In the interests of diversification and to positively impact a wide range of environmental and societal issues, the portfolio of Investments will be spread across the range of twenty-one thematic categories (listed under “1. Thematic analysis” above). This gives wide coverage of the SDGs. However, there are some SDGs which are hard to impact through traditional investment. The Investment Manager has identified four important SDGs where this is the case (together, the “**Uninvestable SDGs**”):

SDG 1 – End Poverty in all its forms everywhere

SDG 2 – End Hunger, achieve food security and improved nutrition

SDG 14 – Life below Water

SDG 15 – Life on Land

In each of these areas, there exist market failures, meaning that there are currently few opportunities to invest successfully while having a positive impact on these SDGs.

The Investment Manager will donate up to 10 per cent. of the management fees paid by the Company to the AIFM (who is responsible for the fees payable to the Investment Manager) (a level to be reviewed periodically) to fund research identifying and developing financial instruments covering the currently Uninvestable SDGs which will, in time, be available for the Company and others to invest in. Areas to be considered include:

SDG 1: Provision of access to loans at fair rates for those in poverty.

SDG 2: Investment in food production and distribution in developing regions.

SDG 14: Investment in Blue Carbon (marine sequestration of carbon dioxide) or bonds to back marine protected areas.

SDG 15: Bonds to back biodiversity or carbon and biodiversity enhancement through reforestation.

It is the Investment Manager’s intention to identify organisations to partner with that will carry out the research required in these areas. Each project is envisaged to have a three-year time frame, and it is expected that at any one time two projects will be run in parallel. The programmes will be managed by the Investment Manager. Progress will be reported every six months.

The Investment Manager considers this distinctive initiative to be one of long-term investment in these important areas that are currently underserved by the market.

PART 4

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1 Directors

The Directors are responsible for the determination of the Company's investment objective and investment policy and have overall responsibility for the Company's activities including the review of investment activity and performance and the control and supervision of the Company's service providers, including the AIFM and the Investment Manager.

The Company has an experienced Board comprising senior professionals from the sustainable investment, investment trust and asset management sectors. All of the Directors are non-executive and are independent of the AIFM, the Investment Manager and the other service providers.

The Directors will meet at least four times per annum to, amongst other things, review and assess the Company's investment policy and strategy, the risk profile of the Company, the Company's investment performance, the performance of the Company's service providers, including the Investment Manager and the AIFM, and generally to supervise the conduct of its affairs. The Audit and Risk Committee will meet at least three times per annum.

The Directors are as follows:

Richard Laing, *Chair*

Richard holds a number of non-executive appointments and currently chairs 3i Infrastructure plc. He is also on the Board of Tritax Big Box REIT plc, Leeds Castle Foundation and JP Morgan Emerging Markets Investment Trust plc. Previously, Richard was a trustee of Plan International UK, the international children's charity, and The Overseas Development Institute. Richard was Chief Executive of CDC Group plc from 2004- 2011, having joined the organisation in 2000 as Finance Director. Prior to CDC, he spent 15 years at De La Rue, where he held a number of positions, in the UK and internationally, latterly as the Group Finance Director. Richard was formerly a non-executive director of Perpetual Income and Growth Investment Trust plc, the London Metal Exchange, Aureos Capital, Madagascar Oil Limited and Emerging Markets Private Equity Association, where he was chairman of the Advisory Council. Richard also worked in agribusiness and at PricewaterhouseCoopers and Marks & Spencer. He is a Fellow of the Institute of Chartered Accountants in England and Wales (FCA).

Clare Brook, *Non-Executive Director*

Clare is CEO of the Blue Marine Foundation, an ocean conservation NGO. Prior to that, she worked for 24 years in sustainable investment. At Jupiter, she managed the pioneering Ecology fund and the UK's first 'green' investment trust in the early '90s. She then managed the Global Care range of funds at NPI and Henderson from 1994 to 1999. In 2001, she established the Sustainable Investment division of Aviva where she and her team launched the Sustainable Future range of funds, now managed by Liontrust. In 2008, Clare co-founded WHEB Asset Management, a positive impact investment firm. After she left WHEB in 2014 to join Blue Marine Foundation, she served for three years on WHEB's Investment Advisory Committee. Clare is particularly interested in the intersect between environmental NGOs and finance and investment in the tackling of environmental challenges.

Sarah Ing, *Chair of the Audit and Risk Committee*

Sarah is a Chartered Accountant with 30 years' experience in financial services including audit, corporate finance, investment banking and asset management. During her executive career, she was a top-rated equity research analyst covering the UK general financial services sector and also founded and ran an equity hedge fund investment management business. Sarah is currently a Non-Executive Director at CMC Markets plc and at XPS Pensions Group plc, where she is Chair of the Sustainability/ESG committee.

Kunle Olafare, *Non-Executive Director*

Kunle has worked in financial services for over 25 years and, since 2016, he has been the Chief Executive and Client Director of SK Financial, a London based independent financial planning firm. Prior to Joining SK Financial in 2009, he spent nine years as Head of Advice, Financial Planning at Kleinwort Benson and prior to this held various investor and client facing roles as an IFA. Complementing his financial experience, Kunle also has an active involvement in many community roles: he is a board member of the Haberdashers' Livery Company, Surrey County Cricket Club and the Lord Mayor's Appeal. In his spare time, Kunle has set up financial education programmes for young Premier League footballers, pupils and undergraduates with an ambition for personal finance and law to be on the national school curriculum, taught by current finance and legal professionals.

2 AIFM and Administrator

The Company has appointed Liontrust Fund Partners LLP as the Alternative Investment Fund Manager of the Company, pursuant to the AIFM Agreement. The AIFM will act as the Company's alternative investment fund manager for the purposes of the UK AIFM Regime.

The AIFM will also be responsible for providing administrative and marketing services to the Company. These will include general fund administration services (including calculation of the NAV based on the data provided by the Investment Manager), bookkeeping, and accounts preparation.

The AIFM is authorised and regulated in the UK by the FCA.

Pursuant to the AIFM Agreement (further details of which are set out in paragraph 6 of Part 8 of this Prospectus), the AIFM has delegated investment management to the Investment Manager. The AIFM is entitled to receive a management fee, details of which are set out in paragraph 4 below under the sub heading "Ongoing annual expenses". The AIFM is responsible for paying the fees of the Investment Manager under the Investment Management Agreement.

The AIFM Agreement is terminable by either the Company or the AIFM giving to the other not less than 6 months' written notice, such not to be served earlier than 30 months following Initial Admission. The AIFM Agreement can be terminated at any time in certain standard circumstances.

3 The Investment Manager

The AIFM has appointed the Investment Manager to provide investment management and related services in respect of the Company's portfolio.

Details of the Investment Manager, its track record and the investment management team proposed to manage the portfolio of the Company, are set out in Part 3 of this Prospectus. The Investment Manager is authorised and regulated by the FCA in the conduct of its investment business.

The AIFM has appointed the Investment Manager pursuant to the Investment Management Agreement.

The Investment Management Agreement is terminable by either the AIFM or the Investment Manager giving to the other not less than 12 months' written notice. The Investment Management Agreement may also be terminated with immediate effect on the occurrence of certain events, including insolvency or in the event of a material breach which fails to be remedied within 30 days of receipt of written notice, or if the Investment Manager or AIFM ceases to be authorised by the FCA. In addition, the Investment Management Agreement shall terminate automatically upon termination of the AIFM Agreement.

4 Fees and expenses

4.1 Formation and initial expenses

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company, the Initial Issue and Initial Admission. These expenses include fees payable under the Placing Agreement, the Receiving Agent's fees, admission fees, printing, legal, valuation and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Initial Admission out of the Gross Proceeds.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are not expected to exceed £3 million, equivalent to 2 per cent. of the Gross Proceeds (assuming

Gross Proceeds of £150 million) and thereby resulting on Initial Admission of a NAV per Ordinary Share of at least 98 pence. The Company has agreed with the AIFM that the AIFM will contribute to the costs of the Initial Issue such that the Net Asset Value per Ordinary Share at Initial Admission will not be less than 98 pence. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

4.2 ***Placing Programme expenses***

The costs and expenses of the Company relating to the Placing Programme are those which are necessary for the issue and Admission of Shares pursuant to any Subsequent Placings. These expenses include fees and commissions payable under the Placing Agreement, admission fees and any other applicable expenses which will be met by the Company and paid on or around the relevant Subsequent Admission.

The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing are expected to be covered by issuing such Ordinary Shares at a minimum price of the prevailing published NAV per Ordinary Share at the time of issue plus a premium to cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions). The costs of any issue of C Shares will be allocated solely to the relevant class of C Shares.

4.3 ***Ongoing annual expenses***

The Company will also incur ongoing annual expenses which will include fees paid to the AIFM and the Investment Manager (as described below) which are expected to equal approximately 1.03 per cent. per annum based on Gross Proceeds of £150 million, excluding all costs associated with making and realising investments.

Ongoing annual expenses will include the following:

(a) ***AIFM and Investment Manager***

The AIFM is entitled to receive from the Company in respect of its services, a fee calculated and paid quarterly in arrears at an annual rate of 0.65 per cent. per annum of the prevailing Net Assets of the Company.

No performance fee is payable by the Company to the AIFM.

The AIFM is responsible for the payment of the Investment Manager's fees.

(b) ***Company Secretarial***

The Company Secretary is entitled to receive from the Company fees in respect of company secretarial services. Under the terms of the Company Secretarial Agreement, the Company Secretary is entitled to receive an annual fee of £75,000, in addition to a set-up fee of £30,000. Additional fees will be payable by the Company to the Company Secretary in respect of any additional services including, inter alia, payroll services and additional Board or committee meetings (in addition to the quarterly Board meetings and annual general meetings of the Company) that may be held from time to time.

(c) ***Depository***

The Depository is entitled to receive from the Company fees in respect of its depository, custody and certain administration services, depending on the gross assets of the Company subject to a minimum fee of £15,000 (inclusive of VAT), plus certain event-driven fees.

(d) ***Registrar***

The Registrar is entitled to receive an annual share register maintenance fee of £5,000 per annum for the second and third year of the Registrar Agreement (there is no share register

maintenance fee in the first year of the Registrar Agreement) plus £1 per Shareholder account in excess of 5,000 shareholder accounts per annum (plus VAT if applicable). In addition, the Registrar is entitled to receive an annual share register analysis reporting service fee of £6,000 per annum (plus VAT if applicable). The Registrar is also entitled to certain activity fees.

(e) *Directors*

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the fee will be £25,000 per annum for each Director plus an additional annual fee of £5,000 per annum for the chairman of the Audit and Risk Committee. The Chairman's fee will be £35,000 per annum.

The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

(f) *Investment expenses*

Investment expenses will be incurred by the Company or by the Investment Manager (directly or on behalf of the Company) in connection with the acquisition of Investments. Such costs will be borne by the Company and may include taxes, commission, bank charges, registration fees relating to Investments, insurance and security costs and all other costs associated with the acquisition, holding and disposal of investments. The amount of expenses will depend on the particular investment opportunity and other factors. Consequently, no meaningful estimate can be made as to their extent. These expenses have not been included in the ongoing expenses estimate provided above.

(g) *Other operational expenses*

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, audit, finance costs and legal fees. All reasonable out of pocket expenses of the AIFM, the Investment Manager, the Registrar, the Depositary and other service providers to the Company and the Directors relating to the Company will be borne by the Company.

5 Conflicts of interest

The AIFM, the Investment Manager and their respective officers and employees may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company. In particular, the AIFM and the Investment Manager may provide investment management, investment advice or other services in relation to other companies, funds or accounts ("**other clients**") that may have similar investment objectives and/or policies to that of the Company and will receive fees for doing so.

The AIFM and other members of the Liontrust Group currently provide such services to a number of other clients and intend to continue to do so. The Company may invest in securities or other interests issued by other clients of the AIFM or its associates where the Investment Manager determines to do so in accordance with the Company's investment policy.

As a result, the Investment Manager may have conflicts of interest in allocating investments amongst the Company and its other clients. The Investment Manager may give advice or take action with respect to their other clients that differs from the advice given or actions taken with respect to the Company.

The Investment Manager will ensure that transactions effected by it or an associate in which it or an associate has, directly or indirectly, a material interest or relationship of any description with another party, are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. The Investment Manager will allocate investments fairly to all clients in accordance with the rules of the FCA and its own standards of governance. In particular, the Investment Manager will allocate investment opportunities in a consistent manner across all clients irrespective of

the form or structure of remuneration that the Investment Manager receives in return for its investment management or advisory services.

Notwithstanding similar investment objectives, an investment opportunity for the Company may be allocated across all, some, or only one of the Investment Manager's clients, dependent on the size of the investment opportunity and the relative opportunity for the Company or other clients. For example, an opportunity for a small investment may not present a meaningful position in a large account and, therefore, may only be allocated to smaller accounts, all other characteristics of the accounts being comparable.

The Directors have considered and tested the potential conflicts of interest of the Investment Manager as outlined above, and have satisfied themselves that the Investment Manager has procedures in place to address potential conflicts of interest.

Separately, the Directors have noted that the AIFM has, as at the date of this Prospectus, other clients and have satisfied themselves that the AIFM has procedures in place to address potential conflicts of interest.

The Directors, in particular through the Management Engagement Committee, will exercise an ongoing oversight role in respect of the continued appointment and performance of the AIFM and the Investment Manager, with a focus on the potential conflicts of interest outlined above.

6 Corporate governance

The Board of the Company has considered the principles and provisions of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to Shareholders. As at the date of this Prospectus, the Company complies with the principles and provisions of the AIC Code except as detailed below.

The AIC Code includes provisions relating to the appointment of a senior independent director and the principle that the chair of the board is not a member of a company's audit committee. The Board considers that, due to the size of the Board, these provisions are not appropriate to the position of the Company, and the Company does not, therefore, comply with them. The Nomination Committee will keep both provisions under annual review and may appoint a senior independent director or recommend that the Chair of the Board cannot be a member of the Audit and Risk Committee in future.

The Company's Audit and Risk Committee will be chaired by Sarah Ing and consists of all the Directors. The Audit and Risk Committee will meet at least three times per annum. The Board considers that the members of the Audit and Risk Committee have the requisite skills and experience to fulfil the responsibilities of the Audit and Risk Committee. The Audit and Risk Committee will examine the effectiveness of the Company's risk management and internal control systems. It will review the half-yearly and annual reports and also receive information from the AIFM and the Investment Manager. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code, the Company has established a Management Engagement Committee which is chaired by Richard Laing and consists of all the Directors. The Management Engagement Committee will meet at least once per annum or more often if required. Its principal duties will be to consider the terms of appointment of the AIFM and other service providers and it will annually review those appointments and the terms of engagement.

The Company's Remuneration Committee consists of all Directors and is chaired by Kunle Olafare. The Remuneration Committee will meet at least twice a year or more often if required. The Remuneration Committee's main functions include: (i) agreeing the policy for the remuneration of Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering ad hoc payment to the Directors in relation to duties undertaken over and above normal business; and (iii) appointing independent professional remuneration advice.

The Company has also established a Nomination Committee which is chaired by Richard Laing and consists of all the Directors. The Nomination Committee is responsible for ensuring that the Board has an appropriate balance of skills and experience to carry out its duties, for identifying and nominating to the Board new Directors and for proposing that existing Directors be re-elected. The Nomination Committee undertakes an annual performance evaluation of the Board.

7 Directors' Share dealings

The Board has agreed to adopt and implement a dealing code for Directors and other persons discharging managerial responsibility which imposes restrictions on conducting transactions in the Company's shares beyond those imposed by law. Its purpose is to ensure that the Directors, persons discharging managerial responsibility and their closely associated persons do not abuse (and do not place themselves under suspicion of having abused) inside information they may have or be thought to have, in particular during periods leading up to the announcement of the Company's results.

PART 5

THE INITIAL ISSUE

1 Introduction

The Company is targeting an issue of 150 million Ordinary Shares pursuant to the Initial Issue, being the Initial Placing, the Offer for Subscription and the Intermediaries Offer. In the event that commitments under the Initial Issue exceed the maximum number of Ordinary Shares available under the Initial Issue (being 250 million Ordinary Shares), applications under the Initial Placing, Offer for Subscription and Intermediaries Offer will be scaled back at Winterflood's discretion (in consultation with the Company, the AIFM and the Investment Manager). The Ordinary Shares will be issued in the Initial Issue at a price of 100 pence per Ordinary Share. The maximum number of Ordinary Shares to be issued under the Initial Issue is 250 million and the minimum number of Ordinary Shares to be issued under the Initial Issue is 100 million.

Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue, after deduction of expenses the Company is expected to have Net Assets of approximately £147 million.

The actual number of Ordinary Shares to be issued pursuant to the Initial Issue is not known as at the date of this Prospectus but will be notified by the Company through a Regulatory Information Service prior to Initial Admission. The Initial Issue is not being underwritten.

2 The Initial Placing

Winterflood has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing for Ordinary Shares at the Issue Price on the terms and subject to the conditions set out in the Placing Agreement.

The terms and conditions which shall apply to any subscription for Ordinary Shares procured by Winterflood are set out in Part 9 of this Prospectus. The Initial Placing will close at 2.00 p.m. on 30 June 2021 (or such later date, not being later than 30 July 2021, as the Company and Winterflood may agree). If the Initial Placing is extended, the revised timetable will be notified through a Regulatory Information Service.

Each Placee agrees to be bound by the Articles once the Ordinary Shares that the Placee has agreed to subscribe for pursuant to the Initial Placing have been acquired by the Placee. The contract to subscribe for the Ordinary Shares under the Initial Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Winterflood, the Company, the AIFM, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

Commitments under the Initial Placing, once made, may not be withdrawn without the consent of the Directors.

3 The Offer for Subscription

Ordinary Shares are being made available in the United Kingdom, the Channel Islands and the Isle of Man under the Offer for Subscription at the Issue Price, subject to the terms and conditions of the Offer for Subscription set out in Part 10 of this Prospectus. These terms and conditions and the Application Form attached as the Appendix to this Prospectus should be read carefully before an application is made. The Offer for Subscription will close at 11.00 a.m. on 29 June 2021. If the Offer for Subscription is extended, the revised timetable will be notified through a Regulatory Information Service.

The minimum subscription amount for Ordinary Shares pursuant to the Offer for Subscription is £1,000, although the Board may accept applications below this minimum amount in its absolute discretion. The aggregate subscription price is payable in full on application. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

Completed Application Forms and the accompanying payment in relation to the Offer for Subscription must be posted to the Receiving Agent so as to be received by no later than 11.00 a.m. on 29 June 2021.

All Applications being made by cheque must be payable to “Equiniti Limited re: Liontrust ESG Trust plc Offer for Subscription” and crossed “Account Payee only”. Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker’s drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the account holder should be the same as the name of the shareholder shown on the Offer for Subscription Application Form. Post-dated cheques will not be accepted.

Cheques will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 29 June 2021. Please contact Equiniti Limited by email at offer@equiniti.com and Equiniti will provide applicants with the bank account details, together with a unique reference number which must be used when sending payment together with your Application Form at the address provided. Applicants will also need to provide proof that the funds received by Equiniti came from their personal bank account, alongside their Application Form. Applicants choosing to settle via CREST on a delivery versus payment (“DVP”) basis, will need to put in their instructions in the CREST GUI in favour of Equiniti’s participant account 6RA06 to settle by no later than 11.00 a.m. on 29 June 2021, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

Please also refer to paragraph 12 below headed “CREST”.

4 The Intermediaries Offer

Investors may also subscribe for Ordinary Shares at the Issue Price pursuant to the Intermediaries Offer. Only the Intermediaries’ retail investor clients in the United Kingdom, the Channel Islands and the Isle of Man are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client.

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom, the Channel Islands or the Isle of Man. A minimum subscription amount of £1,000 per underlying applicant will apply. Allocations to Intermediaries will be determined solely Winterflood (following consultation with the Company, the AIFM and the Investment Manager).

An application for Ordinary Shares in the Intermediaries Offer means that the underlying applicant agrees to acquire the Ordinary Shares applied for at the Issue Price. Each underlying applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for Ordinary Shares. Where an

application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the underlying applicant as required and all such refunds shall be made without interest. The Company, the AIFM, the Investment Manager and Winterflood accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, *inter alia*, the conduct of the Intermediaries Offer on market standard terms. Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, the Channel Islands and the Isle of Man, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the AIFM, the Investment Manager or Winterflood. Any liability relating to such documents shall be for the relevant Intermediaries only.

5 Conditions

The Initial Issue is conditional, *inter alia*, on:

- (i) Initial Admission occurring by 8.00 a.m. on 5 July 2021 (or such later date, not being later than 30 July 2021, as the Company and Winterflood may agree);
- (ii) the Placing Agreement becoming otherwise unconditional in all respects in relation to Initial Issue and not having been terminated in accordance with its terms prior to Initial Admission; and
- (iii) the Minimum Gross Proceeds (or such lesser amount as the Company and Winterflood may agree) being raised.

If the Minimum Gross Proceeds, or such lesser amount as the Company and Winterflood in their absolute discretion may decide, are not raised, the Initial Issue will not proceed and application monies received under the Initial Issue will be returned to applicants without interest at the applicants' risk.

If the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum gross proceeds figure) has been prepared in relation to the Company and approved by the FCA.

6 Scaling back and allocation

In the event that commitments under the Initial Issue exceed the maximum number of Ordinary Shares available under the Initial Issue (being 250 million Ordinary Shares), applications under the Initial Issue will be scaled back at Winterflood's discretion (in consultation with the Company, the AIFM and the Investment Manager).

The basis of allocation of Ordinary Shares shall be determined by Winterflood (in consultation with the Company, the AIFM and the Investment Manager).

7 Costs of the Initial Issue

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be 2 per cent. of the Gross Proceeds equivalent to approximately £3 million, assuming Gross Proceeds of £150 million. The costs will be deducted from the Gross Proceeds and it is expected that the starting Net Asset Value per Ordinary Share will be at least 98 pence. The Company has agreed with the AIFM that the AIFM will contribute to the costs of the Initial Issue such that the Net Asset Value per Ordinary Share at Initial Admission will not be less than 98 pence. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary

whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

8 Withdrawal

In the event that the Company is required to publish a supplementary prospectus prior to Initial Admission, applicants who have applied for Ordinary Shares under the Initial Issue shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire Ordinary Shares in the Initial Issue in its entirety. If the application is not withdrawn within the stipulated period, any offer to apply for Ordinary Shares in the Offer for Subscription or the Intermediaries Offer will remain valid and binding.

In the event of a supplementary prospectus being issued, full details on how an investor can withdraw an application for Ordinary Shares will be detailed within the supplementary prospectus. Intermediaries wishing to exercise withdrawal rights on behalf of their underlying clients on behalf of whom they have submitted applications for Ordinary Shares, after the publication of a supplementary prospectus prior to the close of the Intermediaries Offer must do so in accordance with the Intermediaries Terms and Conditions so as to be received no later than four Business Days after the date on which the supplementary prospectus is published. If the applications for Ordinary Shares are not withdrawn by the Intermediaries during such time, the offer to apply for Ordinary Shares as set out in the application will remain valid and binding.

9 The Placing Agreement

The Placing Agreement contains provisions entitling Winterflood to terminate the Initial Issue (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to applicants without interest within 14 days at the applicant's risk.

The Placing Agreement provides for Winterflood to receive customary fees and commissions. Any Ordinary Shares subscribed for by Winterflood may be retained or dealt in by it for its own benefit.

Under the Initial Placing, Winterflood is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue. Winterflood is also entitled under the Placing Agreement to retain agents and may pay fees and/or commission in respect of the Initial Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 6 of Part 8 of this Prospectus.

10 General

To the extent that the subscription monies received by the Company in relation to any application for Ordinary Shares pursuant to the Offer for Subscription exceed the aggregate value, at their Issue Price, of the Ordinary Shares issued pursuant to such application, the balance of such sum will be returned by cheque to the applicant concerned, save that amounts, otherwise returnable, of £5.00 or less will be retained for the benefit of the Company.

Ordinary Shares issued pursuant to the Initial Issue will be issued fully paid. Fractions of Ordinary Shares will not be issued.

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares are issued to that applicant.

11 Admission, clearing and settlement

Applications will be made to the FCA for all of the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the premium segment of the London Stock

Exchange's main market. It is expected that Initial Admission will become effective and dealings will commence on 5 July 2021.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Ordinary Shares to be issued in uncertificated form pursuant to the Initial Issue, these will be transferred to successful applicants through the CREST system.

Where applicable, definitive share certificates in respect of the Ordinary Shares are expected to be despatched by post at the risk of recipients to the relevant holders no later than 19 July 2021. Prior to the despatch of definitive share certificates in respect of any Ordinary Shares which are held in certificated form, transfer of those Ordinary Shares will be certified against the Register. No temporary documents of title will be issued.

The ISIN of the Ordinary Shares is GB00BMBVPL14 and the SEDOL code is BMBVPL1.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

12 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

13 Use of proceeds and reasons for the Initial Issue

The Gross Proceeds will be utilised to meet the costs and expenses of the Initial Issue and to make investments in accordance with the Company's investment policy.

14 Profile of a typical investor

Typical investors in the Company are expected to be institutional investors, professionally advised private investors and retail investors.

An investment in the Company is only suitable for persons capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment (which may equal the whole amount invested).

Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors in the UK who are unsure whether to invest should consider consulting a financial adviser authorised under the FSMA to assess whether an investment in the Company is suitable.

15 Overseas Persons

The attention of potential investors who are not resident in, or who are not citizens of, the UK is drawn to the paragraphs below.

The offer of Ordinary Shares under the Initial Issue to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Ordinary Shares under the Initial Issue. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Ordinary Shares under the Initial Issue to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to that person, unless in the relevant territory such an offer can lawfully be made to that person without compliance with any further registration or other legal requirements.

The Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the Ordinary Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Ordinary Shares are being offered and sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any states securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the issue of the Ordinary Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States and the offer or re-sale of any of the Ordinary Shares in the United States may constitute a violation of US law.

The offer and sale of Ordinary Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exemptions, the Ordinary Shares may not be offered to or sold within Australia, Canada, the Republic of South Africa or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan.

Potential investors in any territory other than the United Kingdom, the Channel Islands and the Isle of Man should refer to the notices set out in the section entitled "Important Notices" of this Prospectus.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Initial Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

PART 6

THE PLACING PROGRAMME

1 Details of the Placing Programme

Following completion of the Initial Issue, the Company may (subject to the appropriate Shareholder authorities remaining in place) issue up to an aggregate of 250 million Shares, being Ordinary Shares and/or C Shares, pursuant to the Placing Programme without first offering those Shares to existing Shareholders.

The Placing Programme has been implemented to enable the Company to raise additional capital in the period from 5 July 2021 to 23 May 2022 and to help manage any premium to NAV per Ordinary Shares. The net proceeds of the Placing Programme will be used to make investments in accordance with the Company's investment policy.

The number of Shares available under the Placing Programme is intended to be flexible and should not be taken as an indication of the number of Shares to be issued. The Company will make the decision on each individual occasion it wishes to issue Shares under the Placing Programme as to whether the Company will issue Ordinary Shares or C Shares. It will make this decision based on a combination of factors, and having taken into account the AIFM's opinion, including, amongst other things, the potential size of any issue relative to the Company's existing market capitalisation and gross assets, the potential level of demand for new Shares amongst existing and potential investors, and the speed with which the Investment Manager estimates that it could invest any new proceeds raised.

Any issues of Shares pursuant to the Placing Programme will be notified by the Company through a Regulatory Information Service and the Company's website, prior to each Subsequent Admission. The Placing Programme has not been underwritten.

The Placing Programme may have a number of closing dates in order to provide the Company with the ability to issue Shares over the duration of the Placing Programme. Shares may be issued under the Placing Programme, following the Initial Issue, from 8.00 a.m. on 5 July 2021 until 8.00 a.m. on 25 May 2022. Applications will be made to the FCA for all of the Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the premium segment of the London Stock Exchange's main market. The issue of Shares pursuant to the Placing Programme is at the discretion of the Directors.

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to any Subsequent Admission, the Company will publish a supplementary prospectus and may publish a further full prospectus. Any supplementary prospectus or full prospectus published will give details of the significant change(s) or the significant new matter(s).

2 Conditions

Each allotment and issue of Shares under the Placing Programme is conditional, *inter alia*, on:

- (i) the Placing Programme Price being determined by the Directors as described below;
- (ii) Admission of the Shares being issued pursuant to such issue;
- (iii) the Placing Agreement becoming otherwise unconditional in all respects in relation to the relevant Subsequent Placing and not having been terminated on or before the date of the relevant Subsequent Admission;
- (iv) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation; and
- (v) the Company having in place appropriate Shareholder authorities to issue such Shares.

In circumstances where these conditions are not fully met, the relevant Subsequent pursuant to the Placing Programme will not take place.

3 Placing Programme Price

The Placing Programme Price will be determined by the Company and, in the case of Ordinary Shares, will be not less than the prevailing Net Asset Value, in Sterling, per Ordinary Share at the time of the announcement of the Issue plus a premium to cover the costs and expenses of such issue. In the case of C Shares, the Placing Programme Price will be 100 pence per C Share.

The Directors will determine the Placing Programme Price of the Ordinary Shares on the basis described above so as to cover the costs and expenses of each issue of Ordinary Shares under the Placing Programme and to thereby avoid any dilution of the Net Asset Value per Ordinary Share of the existing Ordinary Shares. In determining the Placing Programme Price of the Ordinary Shares, the Directors will also take into consideration, inter alia, the prevailing market conditions at that time. The costs and expenses of any issue of C Shares pursuant to the Placing Programme will be borne by the holders of C Shares only.

The Placing Programme Price will be announced through a Regulatory Information Service as soon as is practicable in conjunction with each Subsequent Placing.

4 Dilution

Assuming the maximum of 250 million Ordinary Shares are issued pursuant to the Initial Issue, if the maximum of 250 Shares are then issued pursuant to the Placing Programme, for those Shareholders that do participate in any of the Subsequent Placing(s) there would be a dilution of approximately 50 per cent. in Shareholders' ownership and voting interests in the Company immediately after the Placing Programme. The voting rights may be diluted further on conversion of any C Shares depending on the applicable conversion ratio.

5 The Placing Agreement

Winterflood is entitled to terminate the Placing Agreement at any time prior to any Subsequent Admission in certain circumstances. If this right is exercised, the Placing Programme and these arrangements will lapse and any monies received in respect of the Placing Programme will be returned to applicants without interest within 14 days at the applicant's risk.

The Placing Agreement provides for Winterflood to be paid a commission by the Company in respect of any Shares issued pursuant to any Subsequent Placings. Any Shares subscribed for by Winterflood may be retained or dealt in by it for its own benefit.

Under the Placing Agreement, Winterflood is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its commissions relating to a Subsequent Placing. Winterflood is also entitled under the Placing Agreement to retain agents and may pay commission in respect of a Subsequent Placing to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 6.1 of Part 12 of this Prospectus.

6 Scaling back

In the event of oversubscription of a Subsequent Placing, applications under the Subsequent Placing will be scaled back at the Winterflood's discretion (in consultation with the Company, the AIFM and the Investment Manager).

The basis of allocation of Shares shall be determined by Winterflood (in consultation with the Company, the AIFM and the Investment Manager).

7 Costs of the Placing Programme

The costs and expenses of each issue of Shares pursuant to a Subsequent Placing under the Placing Programme will depend on subscriptions received. In the event 5 million Shares are issued pursuant to

a Subsequent Placing each at a Placing Programme Price of 100 pence, the costs and expenses of that Subsequent Placing are not expected to exceed 2 per cent. of the proceeds of the Subsequent Placing. The costs of any issue of Ordinary Shares are expected to be covered by issuing such Ordinary Shares at a premium to the last published Net Asset Value per Ordinary Share at the time of issue. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

8 General

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence in connection with any application for Shares, including further identification of the applicant(s), before any Shares are issued.

Any Shares issued pursuant to the Placing Programme will be issued fully paid and rank pari passu with the Shares of the relevant class then in issue (save for any dividends or other distributions declared, made or paid on the Shares of the same class by reference to a record date prior to the allotment of the relevant Shares).

9 Clearing and settlement

Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Shares to be issued in uncertificated form pursuant to the Placing Programme, these will be transferred to successful applicants through the CREST system.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Shares, nor does it guarantee the price at which a market will be made in the Shares. Accordingly, the dealing price of the Shares may not necessarily reflect changes in the relevant underlying Net Asset Value per Share.

The ISIN of the Ordinary Shares is GB00BMBVPL14 and the SEDOL code is BMBVPL1.

The ISIN of the C Shares is GB00BMBVPM21 and the SEDOL code is BMBVPM2.

10 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. Settlement of transactions in the Shares following the relevant Admission may take place within the CREST system if any Shareholder so wishes.

11 Use of proceeds and reasons for the Placing Programme

The Directors intend to use the net proceeds of any Subsequent Placing under the Placing Programme to acquire investments in accordance with the Company's investment policy.

Subsequent Placings will be made under the Placing Programme to the extent that the Board, as advised by the AIFM and the Investment Manager, continues to believe that there are attractive opportunities for the Company to deliver returns for Shareholders through investment in Sustainable Companies in accordance with its investment policy.

12 Profile of typical investor

Typical investors in the Company are expected to be institutional investors, professionally advised private investors and retail investors.

An investment in the Company is only suitable for persons capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment (which may equal the whole amount invested).

Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors in the UK who are unsure whether to invest should consider consulting a financial adviser authorised under the FSMA to assess whether an investment in the Company is suitable.

13 Overseas Persons

The attention of potential investors who are not resident in, or who are not citizens of, the UK is drawn to the paragraphs below.

The offer of Shares under the Placing Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Shares under the Placing Programme. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Shares under the Placing Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to that person, unless in the relevant territory such an offer can lawfully be made to that person without compliance with any further registration or other legal requirements.

The Company has not, and will not be, registered under the US Investment Company Act and the offer, issue and sale of the Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares are being offered and sold outside the United States to non-US Persons in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S thereunder. The Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any US Person. The Shares have not been approved or disapproved by the US Securities and Exchange Commission, any states securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering or the issue of the Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States and the offer or re-sale of any of the Shares in the United States may constitute a violation of US law.

The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, the Republic of South Africa or Japan. Subject to certain exemptions, the Shares may not be offered to or sold within Australia, Canada, the Republic of South Africa or Japan or to any national, resident or citizen of Australia, Canada, the Republic of South Africa or Japan.

Potential investors in any territory other than the United Kingdom, the Channel Islands and the Isle of Man should refer to the notices set out in the section entitled "Important Notices" of this Prospectus.

The Company reserves the right to treat as invalid any agreement to subscribe for Shares under the Placing Programme if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

PART 7

UK TAXATION

The following comments do not constitute tax advice. They are intended only as a general guide based on UK tax law and HMRC's published practice (which may not be binding), in each case as at the date of this Prospectus. Both UK tax law and HMRC's published practice are subject to change, possibly with retrospective effect.

Except where express reference is made to the position of Shareholders who are not resident for UK tax purposes in the UK, these comments relate only to Shareholders who are, and have at all relevant times been, resident for UK tax purposes (and, in the case of Shareholders who are individuals, domiciled) solely in the UK. They apply only to Shareholders who are the absolute beneficial owners of their Shares and of any dividends payable on them and who hold their Shares as investments.

Certain categories of Shareholders may be subject to special tax rules. These include dealers in securities, financial institutions, insurance companies, collective investment schemes and Shareholders who are treated as having acquired their Shares by reason of any office or employment. The position of such Shareholders is not addressed in these comments.

You should seek professional tax advice if you are resident, domiciled or subject to tax in any jurisdiction outside the UK or if you are in any doubt as to your tax position.

1 The Company

The Directors intend to apply to HMRC for approval of the Company as an investment trust following Initial Admission and the Directors intend to conduct the affairs of the Company so that it satisfies, and continues to satisfy, the conditions necessary for approval as an investment trust. However, no assurance can be given that this approval will be obtained or maintained.

In respect of each accounting period for which the Company continues to be treated as an approved investment trust the Company will be exempt from UK corporation tax on its chargeable gains. The Company will however (subject to what follows) be liable to UK corporation tax on its income in the normal way. In principle, this includes dividend income received by the Company. However, there are broad-ranging exemptions from this charge which would generally be expected to apply in respect of most dividends it receives.

Approved investment trusts are able to elect to take advantage of modified UK tax treatment in respect of their "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under such treatment, the Company may designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend (or part thereof) that it pays as an interest distribution, the Company should be able to deduct the amount of the interest distribution from its income in calculating its taxable profit for the relevant accounting period.

2 Taxation of dividends

No withholding tax

The Company is not required to withhold UK tax when paying a dividend on the Shares.

Individuals

Individual Shareholders who are resident for UK tax purposes in the UK and who receive dividends from the Company that are not designated as interest distributions will generally pay UK income tax on those dividends. The rates for the tax year 2021/2022 are as follows, to the extent in excess of the annual dividend allowance (which is £2,000 for the tax year 2021/2022):

- 7.5 per cent. on dividend income within the basic rate band;
- 32.5 per cent. on dividend income within the higher rate band; and

- 38.1 per cent. on dividend income within the additional rate band.

Individual Shareholders who are resident for UK tax purposes in the UK and who receive dividends from the Company that are designated as interest distributions under the streaming regime would be treated for UK tax purposes as receiving a payment of interest. Such a Shareholder would currently generally be subject to UK income tax at the rates of 20 per cent., 40 per cent. or 45 per cent., depending on the level of the Shareholder's income and the availability of any exemption, allowance or relief.

Companies

Shareholders within the charge to UK corporation tax that receive dividends from the Company that are not designated as interest distributions under the streaming regime will be subject to corporation tax on those dividends unless the dividends qualify for exemption under Part 9A of the Corporation Tax Act 2009. It is likely that dividends paid by the Company will generally qualify for exemption, but it should be noted that the exemption is not comprehensive, requires a number of conditions to be met, and is subject to anti-avoidance rules. Shareholders should therefore seek professional tax advice where necessary.

Shareholders within the charge to UK corporation tax receiving a dividend designated by the Company as an interest distribution would be treated for tax purposes as receiving interest under a creditor loan relationship. Accordingly, such a Shareholder would be subject to corporation tax in respect of the distribution.

3 Taxation of chargeable gains

Disposals of Shares

A disposal of Shares by a Shareholder that is resident for UK tax purposes in the UK may, depending on the Shareholder's circumstances and subject to any available exemption or relief, give rise to a chargeable gain or allowable loss for the purposes of UK taxation of chargeable gains.

A conversion of C Shares into new Ordinary Shares should, for the purposes of UK taxation of chargeable gains, generally be treated as a reorganisation of the share capital of the Company. To this extent, the new Ordinary Shares will be treated as the same asset as the Shareholder's original C Shares and as having been acquired at the same time as the C Shares are treated as having been acquired. To the extent that this reorganisation treatment applies, the conversion will not be treated as itself giving rise to a disposal of the Shareholder's C Shares for the purposes of UK taxation of chargeable gains.

Shareholders that are not resident for UK tax purposes in the UK will not generally be subject to UK taxation of chargeable gains on a disposal of their Shares, provided that their Shares are not and have not been acquired, held or used in or for the purposes of any trade, profession or vocation carried on by the Shareholder in the UK through a branch, agency or permanent establishment. However, if at the time of disposal the Company is treated as deriving (directly or indirectly) at least 75 per cent. of its value from interests in UK land, a Shareholder that is not resident for UK tax purposes in the UK which disposes of Shares may (regardless of whether that Shareholder has any UK branch, agency or permanent establishment) be subject to UK tax on any chargeable gain realised. Any Shareholder that is not resident for UK tax purposes in the UK which makes a disposal of Shares in those circumstances should seek professional tax advice as to its UK tax obligations in respect of the disposal.

It should be noted that, in certain circumstances, an individual Shareholder who is only temporarily not resident for UK tax purposes in the UK may, on re-establishing UK tax residence, be subject to capital gains tax in respect of disposals which occurred in the period of temporary non-residence.

4 ISAs

Provided that the Company obtains and maintains its status as an investment trust approved by HMRC, the Shares should, subject to the annual ISA investment allowance, be eligible for inclusion in an ISA.

Individuals wishing to invest in Shares through an ISA should contact their professional advisers.

5 UK Stamp duty and stamp duty reserve tax (“SDRT”)

Issues of Shares

No UK stamp duty or SDRT should arise on an issue of Shares by the Company.

Transfers of Shares

Instruments transferring Shares will generally be subject to stamp duty at a rate of 0.5 per cent. of the consideration given for the transfer (rounded up to the nearest £5 of stamp duty, where relevant). Transfers with an aggregate consideration of £1000 or less are generally exempt from stamp duty provided that the instrument of transfer contains an appropriate certificate stating that the transfer does not form part of a larger transaction or series of transactions with an aggregate consideration in excess of £1000.

An unconditional agreement to transfer Shares will generally be subject to SDRT at a rate of 0.5 per cent. of the consideration given for the transfer. However, where an instrument of transfer is executed in pursuance of such an agreement and is duly stamped within six years, the charge to SDRT will generally be cancelled and any SDRT which has already been paid can generally be reclaimed.

Paperless transfers of Shares within CREST (i.e. effected without any instrument of transfer) will generally attract only SDRT and not stamp duty. The SDRT chargeable on such transactions will generally be collected through the CREST system.

The cost of any stamp duty or SDRT that arises in connection with a transfer of Shares would normally be borne by the purchaser.

The above statements are intended as a general guide to the current stamp duty and SDRT position for Shareholders. Certain categories of person, including intermediaries, brokers, dealers and persons connected with depositary arrangements and clearance services, may not be liable to stamp duty or SDRT or may be liable at a higher rate of 1.5 per cent. or may, although not primarily liable for tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986.

The comments in this section apply whether or not a Shareholder is resident for UK tax purposes in the UK.

6 Information reporting

The UK has entered into a number of international arrangements which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, FATCA, the Common Reporting Standard, the EU Directive on Administrative Cooperation in Tax Matters, and a number of other arrangements with particular jurisdictions. In connection with agreements and arrangements of this kind, the Company may, among other things, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to the authorities in other jurisdictions.

PART 8

ADDITIONAL INFORMATION

1 The Company, the AIFM and the Investment Manager

- 1.1 The Company was incorporated with the name Liontrust Environmental and Sustainable Growth Trust PLC in England and Wales on 12 April 2021 as a public limited company. On 5 May 2021, the Company changed its name to Liontrust ESG Trust PLC. The Company is registered as an investment company under section 833 of the Act with registered number 13327791. The Company has received a certificate under section 761 of the Act entitling it to commence business and to exercise its borrowing powers. Since its incorporation the Company has not commenced operations (other than entry into of the material contracts referred to at paragraph 6 of this Part 8), has not declared any dividend, and no financial statements have been made up. The Company is domiciled in England and Wales.
- 1.2 The Company has no employees.
- 1.3 The principal activity of the Company is to invest in a diversified portfolio of Sustainable Companies comprising predominantly quoted equity securities.
- 1.4 As at the date of this Prospectus, the Company does not have any subsidiaries.
- 1.5 The Company operates under the Act and is not regulated as a collective investment scheme by the FCA. Its registered office and principal place of business is The Scalpel, 18th Floor, 52 Lime Street, London, EC3M 7AF, United Kingdom. The Company's telephone number is +44 (0)207 409 0181.
- 1.6 As a Company with its shares admitted to the premium segment of the Official List of the FCA and to trading on the premium segment of the London Stock Exchange's main market, the Company will be subject to the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, MAR and to the rules of the London Stock Exchange.
- 1.7 The Company intends at all times to conduct its affairs so as to enable it to obtain and maintain status as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the conditions that must be met for approval by HMRC as an investment trust, and which must continue to be met for each accounting period in respect of which the Company is approved as an investment trust, are that:
- all or substantially all of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
 - the Company is not a close company at any time during the accounting period;
 - the Company's ordinary share capital is admitted to trading on a regulated market throughout the accounting period; and
 - the Company must not retain in respect of the accounting period an amount greater than the higher of: (a) 15 per cent. of its income for the period; and (b) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (a) and (b) above, it may retain an amount equal to the amount of such losses.
- 1.8 The AIFM is a limited liability partnership incorporated in England and Wales with number OC351697 on 22 January 2010. The AIFM is authorised and regulated by the FCA. The address of the registered office of the AIFM is 2 Savoy Court, London WC2R 0EZ, United Kingdom. The AIFM's telephone number is +44 (0) 20 7412 1700.

- 1.9 The Investment Manager is a limited liability partnership incorporated in England and Wales with number OC351668 on 22 January 2010. The Investment Manager is authorised and regulated by the FCA. The address of the registered office of the Investment Manager is 2 Savoy Court, London WC2R 0EZ, United Kingdom and its telephone number is +44 (0) 20 7412 1700.

2 Share capital

- 2.1 On incorporation, the issued share capital of the Company was 1 penny represented by one Ordinary Share, held by the AIFM, being the subscriber to the Company's memorandum of association.
- 2.2 Set out below is the issued share capital of the Company as at the date of this Prospectus:

	<i>Aggregate Nominal Value</i>	<i>Number</i>
Redeemable Preference Shares	£50,000	50,000
Ordinary Shares	£0.01	1

The Ordinary Share is fully paid up. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under Section 761 of the Act, on 4 May 2021, 50,000 Redeemable Preference Shares were allotted to the AIFM. The Redeemable Preference Shares are paid up as to one quarter of their nominal value and will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue.

- 2.3 Set out below is the issued share capital of the Company as it will be following the Initial Issue (assuming that 150 million Ordinary Shares are issued pursuant to the Initial Issue):

	<i>Aggregate nominal value (£)</i>	<i>Number</i>
Ordinary Shares	1,500,000	150,000,000

All Ordinary Shares will be fully paid.

- 2.4 By resolutions passed on 4 May 2021:

- (A) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot up to 250 million Ordinary Shares, such authority to expire immediately following Initial Admission, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted in pursuance of such an offer or agreement as if such authority had not expired;
- (B) the Directors were generally empowered (pursuant to section 570 of the Act) to allot Ordinary Shares for cash pursuant to the authority referred to in paragraph 2.4(A) above as if section 561 of the Act did not apply to any such allotment, such power to expire immediately following Initial Admission (unless previously revoked, varied or renewed by the Company in general meeting), save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted after the expiry of such power, and the Directors may allot Ordinary Shares in pursuance of such an offer or agreement as if such power had not expired;
- (C) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot up to 250 million Ordinary Shares and/or C Shares pursuant to the Placing Programme in aggregate, such authority to expire at the end of the period of 18 months from the date of the passing of the resolution, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Shares to be allotted in pursuance of such an offer or agreement as if such authority had not expired;
- (D) the Directors were generally empowered (pursuant to sections 570 and 573 of the Act) to allot Shares and to sell Shares from treasury for cash pursuant to the authority referred to

paragraph 2.4(C) above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire at the end of the period of 18 months from the date of the passing of the resolution (unless previously revoked, varied or renewed by the Company in general meeting), save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Shares to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury Shares in pursuance of such an offer or agreement as if such power had not expired;

- (E) to take effect immediately following the expiry of the authority provided by the resolutions referred to in paragraphs 2.4(A) and 2.4(B), the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot such number of Ordinary Shares and/or C Shares in aggregate as is equal to 10 per cent. of the number of Ordinary Shares in issue immediately following Admission, such authority to expire (unless previously revoked, varied or renewed) on the conclusion of the Company's first annual general meeting, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares and/or C Shares as the case may be to be allotted in pursuance of such an offer or agreement as if such authority had not expired;
 - (F) to take effect immediately following the expiry of the authority provided by the resolutions referred to in paragraphs 2.4(A) and 2.4(B), the Directors were generally empowered (pursuant to sections 570 and 573 of the Act) to allot Ordinary Shares and/or C Shares, and to sell Ordinary Shares and/or C Shares from treasury for cash pursuant to the authority referred to in paragraph 2.4(E) above as if section 561 of the Companies Act did not apply to any such allotment or sale, such power to expire (unless previously revoked, varied or renewed) on the conclusion of the Company's first annual general meeting, save that the Company may, at any time prior to the expiry of such power make an offer or enter into an agreement which would or might require Ordinary Shares and/or C Shares as the case may be to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired;
 - (G) the Company was authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares provided that the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the Ordinary Shares in issue immediately following Admission. The minimum price which may be paid for an Ordinary Share is £0.01. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of (i) 5 per cent. above the average of the mid-market quotations of the Ordinary Shares for the five business days before the purchase is made or (ii) the higher of (a) the price of the last independent trade and (b) the highest current independent bid for Ordinary Shares on the London Stock Exchange at the time the purchase is carried out. Such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and 3 November 2022, save that the Company may contract to purchase Ordinary Shares under the authority thereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Ordinary Shares in pursuance of such contract;
 - (H) the Company resolved that, conditional upon Admission and subject to the confirmation and approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following Initial Admission be cancelled and the amount of the share premium account so cancelled be credited to a reserve; and
 - (I) the Company was authorised to call a general meeting of the Company other than an annual general meeting on not less than 14 clear days' notice.
- 2.5 In accordance with the authority referred to in paragraph 2.4(A) above, it is expected that the Ordinary Shares in respect of the Initial Issue will be allotted pursuant to a resolution of the Board to be passed on or around 30 June 2021, conditional upon Initial Admission.

- 2.6 The provisions of section 561 of the Act (which, to the extent not disapplied pursuant to section 570 of the Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash) shall apply to any unissued share capital of the Company, except to the extent disapplied by the resolutions referred to in paragraphs 2.4(B) and 2.4(D) above.
- 2.7 Save as disclosed in this paragraph 2, since the date of its incorporation (i) there has been no alteration in the share capital of the Company, (ii) no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued for cash or any other consideration and (iii) no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital and no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option.
- 2.8 The Ordinary Shares, expected to be issued on 5 July 2021, will be in registered form. Temporary documents of title will not be issued.
- 2.9 Any C Shares issued pursuant to a Subsequent Placing will be in registered form. Temporary documents of title will not be issued.
- 2.10 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory right of withdrawal in the event of the publication of a supplementary prospectus.

3 Articles of Association

A summary of the main provisions of the Articles are set out below.

3.1 Objects

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

3.2 Variation of rights

Subject to the provisions of the Act as amended and every other statute for the time being in force concerning companies and affecting the Company (the "**Statutes**"), if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may be varied either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class (but not otherwise) and may be so varied either whilst the Company is a going concern or during or in contemplation of a winding-up. At every such separate general meeting the necessary quorum shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum), any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by that person. Where the rights of some only of the shares of any class are to be varied, the foregoing provisions apply as if each group of shares of the class differently treated formed a separate class whose rights are to be varied.

3.3 Alteration of share capital

The Company may by ordinary resolution:

- (a) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;
- (b) sub-divide its shares, or any of them, into shares of smaller nominal value than its existing shares; and
- (c) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, have any such preferred, deferred or other

rights or be subject to any such restrictions as the Company has power to attach to unissued or new shares.

Subject to the provisions of the Act, the Uncertificated Securities Regulations and every other statute, enactment or regulations for the time being in force concerning companies and affecting the Company relating to authority, pre-emption rights and otherwise, and of any resolution of the Company in general meeting passed pursuant thereto, all existing shares of the Company shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over, offer or otherwise deal with or dispose of such shares to such persons, at such times and generally on such terms and conditions as the Directors think proper.

3.4 ***Issue of shares***

Subject to the provisions of the Act and without prejudice to any rights attaching to any existing shares, any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or if the Company has not so determined, as the Directors may determine).

3.5 ***Dividends***

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the shareholders but no dividends shall exceed the amount recommended by the Directors. Subject to the provisions of the Act, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Subject to the rights of persons (if any) entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividends as from a particular date, it shall rank for dividends accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

3.6 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every shareholder present in person has one vote and every proxy present who has been duly appointed by a shareholder entitled to vote has one vote, and on a poll every shareholder (whether present in person or by proxy) has one vote for every share held by that shareholder. A shareholder entitled to more than one vote need not, if the shareholder votes, use all that shareholder's votes or cast all the votes used the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the Register.

No shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by that shareholder unless all amounts presently payable by that shareholder in respect of that share have been paid.

Where a shareholder vote is required to be taken in accordance with the Listing Rules, that vote must be decided by a resolution of the holders of the shares that have been admitted to the premium listing. Where the provisions of the Listing Rules require that any resolution must, in addition, be approved by the independent shareholders (as defined in the Listing Rules), only independent shareholders who hold shares that have a premium listing shall be entitled to vote on the relevant resolution.

3.7 ***Transfer of shares***

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the

transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.

In their absolute discretion, the Directors may refuse to register the transfer of a share in certificated form which is not fully paid provided that if the share is admitted to trading on a market of the London Stock Exchange, such refusal does not prevent dealings in the shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:

- is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- is in respect of only one class of share; and
- is not in favour of more than four transferees.

The Directors may refuse to register a transfer of a share in uncertificated form in any case where the Company is entitled to refuse to register the transfer under the CREST Regulations provided that such refusal does not prevent dealings in the shares from taking place on an open and proper basis.

If the Directors refuse to register a transfer of a share, they shall within two months after the date on which the transfer was lodged with the Company or, in the case of an uncertificated share, the date on which the appropriate instruction was received by or on behalf of the Company in accordance with the CREST Regulations send to the transferee notice of refusal.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

If at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as “plan assets” of any Benefit Plan Investor; (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to be registered or qualified under the US Investment Company Act and/or the US Investment Advisers Act of 1940 and/or the US Securities Act and/or the US Exchange Act of 1934 and/or any similar legislation (in any jurisdiction) that regulates the offering and sale of securities; (iii) may cause the Company not to be considered a “Foreign Private Issuer” under the US Exchange Act of 1934; (iv) may cause the Company to be a “controlled foreign corporation” for the purpose of the US Tax Code; or (v) may cause the Company to become subject to any withholding tax or reporting obligation under FATCA or any similar legislation in any territory or jurisdiction, or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligation), then the Directors may declare the Shareholder in question a “**Non-Qualified Holder**” and the Directors may require that any shares held by such Shareholder (“**Prohibited Shares**”) (unless the Shareholder concerned satisfies the Directors that that Shareholder is not a Non-Qualified Holder) be transferred to another person who is not a Non-Qualified Holder, failing which the Company may itself dispose of such Prohibited Shares at the best price reasonably obtainable and pay the net proceeds to the former holder.

3.8 ***Distribution of assets on a winding-up***

If the Company is wound up, with the sanction of a special resolution and any other sanction required by law and subject to the Act, the liquidator may divide among the shareholders in specie the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the shareholders or different classes of shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as the liquidator

may with the like sanction determine, but no shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

3.9 *Restrictions on rights: failure to respond to a section 793 notice*

If a shareholder, or any other person appearing to be interested in shares held by that shareholder, fails to provide the information requested in a notice given to that shareholder under section 793 of the Act by the Company in relation to that shareholder's interest in shares (the "default shares") within 28 days of the notice (or, where the default shares represent at least 0.25 per cent. of their class, 14 days of the notice), sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or any separate meeting of the holders of any class or on any poll and, where the default shares represent at least 0.25 per cent. of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares (subject to certain exceptions).

3.10 *Untraced shareholders*

Subject to various notice requirements, the Company may sell any of a shareholder's shares if, during a period of 12 years, at least three dividends (either interim or final) on such shares have become payable and no cheque for amounts payable in respect of such shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the Company from the shareholder or person concerned.

3.11 *Appointment of Directors*

Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two.

Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment.

3.12 *Powers of Directors*

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director.

3.13 *Voting at board meetings*

No business shall be transacted at any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which that Director is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not a Director shall, if the alternate's appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

Members of the Board or of any committee thereof may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in a meeting can hear each other, by a series of telephone calls from the chairman of the meeting or by exchange of communications in electronic form addressed to the chairman of the meeting.

3.14 ***Restrictions on voting***

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which that Director has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless the Director's interest arises only because the case falls within certain limited categories specified in the Articles.

3.15 ***Directors' interests***

Subject to the provisions of the Act and provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his, a Director, notwithstanding the Director's office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

3.16 ***Indemnity***

Subject to the provisions of the Act, the Company may indemnify any person who is a Director, secretary or other officer (other than an auditor) of the Company, against (a) any liability whether in connection with any negligence, default, breach of duty or breach of trust by that person in relation to the Company or any associated company or (b) any other liability incurred by or attaching to that person in the actual or purported execution and/or discharge of that person's duties and/or the exercise or purported exercise of that person's powers and/or otherwise in relation to or in connection with that person's duties, powers or office; and purchase and maintain insurance for any person who is a Director, secretary or other officer (other than an auditor) of the Company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as Director, secretary or officer.

3.17 ***General meetings***

In the case of the annual general meeting, twenty-one clear days' notice at the least shall be given to all the members and to the auditors. All other general meetings shall also be convened by not less than twenty-one clear days' notice to all those members and to the auditors unless the Company offers members an electronic voting facility and a special resolution reducing the period of notice to not less than fourteen clear days has been passed in which case a general meeting may be convened by not less than fourteen clear days' notice in writing.

No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporation which is a shareholder (including for this purpose two persons who are proxies or corporate representatives of the same shareholder), shall be a quorum.

A shareholder is entitled to appoint another person as that shareholder's proxy to exercise all or any of that shareholder's rights to attend and to speak and vote at a meeting of the Company. A shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Subject to the provisions of the Act, any corporation (other than the Company itself) which is a shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not preclude a shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are shareholders.

A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared. A poll may be demanded by the Chairman or by: (a) not less than five members having

the right to vote at the meeting; or (b) a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or (c) a member or members holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The Directors may resolve to enable persons entitled to attend and participate in a general meeting to do so (wholly or partly) by simultaneous means and participation by means of a device, system, procedure, method or facility providing electronic means of attendance at or participation in (or both attendance at and participation in) a general meeting (an “**Electronic Facility**”) and to determine the means, or all different means, of attendance and participation used in relation to the general meeting. A resolution put to the vote at a general meeting held wholly or partly by means of an Electronic Facility (or facilities) shall be decided on a poll, which poll votes may be cast by such electronic means as the Directors, in their sole discretion, deem appropriate for the purposes of the meeting.

Nothing in the Articles will prevent the Company from holding physical general meetings. The potential to hold a general meeting through wholly electronic means is intended as a solution to be adopted as a last resort to ensure the continued smooth operation of the Company in extreme operating circumstances where physical meetings are prohibited. The Company has no present intention of holding a wholly electronic general meeting, will endeavour to hold a physical general meeting wherever possible and will only utilise the ability to hold a wholly virtual general meeting in the circumstances referred to immediately above and in other similar circumstances, such as on the occurrence of the proliferation of disease, virus, infection or any other health related circumstance (such as, *inter alia*, an epidemic or pandemic) which leads to actual or anticipated changes in health related policy, guidance or legislation of the Government of England and Wales from time to time which, in the reasonable opinion of the Directors, renders the holding of a physical General Meeting not possible and/or undesirable in the interests of the health and safety of members attending such general meeting.

3.18 **Continuation Vote**

An ordinary resolution for the continuation of the Company as a closed-ended investment company will be proposed at a general meeting of the Company to be held in July 2026. An ordinary resolution for the continuation of the Company as a closed-ended investment company will then be proposed at each fifth annual general meeting of the Company thereafter. If the resolution is not passed, then the Directors shall put forward proposals for the reconstruction, reorganisation of the Company to the Shareholders for their approval within six months following the date on which the relevant Continuation Resolution is not passed.

3.19 **C Shares and Deferred Shares**

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their conversion are summarised below.

(1) The following definitions apply for the purposes of this paragraph 3.19 only:

Calculation Date means the earliest of the:

- (i) close of business on the date to be determined by the Directors occurring not more than 10 Business Days after the day on which the Investment Manager shall have given notice to the Directors that at least 90 per cent. of the Net Proceeds (or such other percentage as the Directors and the Investment Manager may agree) shall have been invested; or
- (ii) close of business on the date falling six calendar months after the allotment of the relevant class of C Shares or if such a date is not a Business Day the next following Business Day; or
- (iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

Conversion means conversion of a class of C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph 3.19(7) below;

Conversion Date means the close of business on such Business Day as may be selected by the Directors falling not more than 20 Business Days after the Calculation Date:

Conversion Ratio is the ratio of the net asset value per C Share of the relevant class to the net asset value per Ordinary Share, which is calculated as:

$$\begin{aligned}\text{Conversion Ratio} &= \frac{A}{B} \\ A &= \frac{C - D}{E} \\ B &= \frac{F - C - I - G + D + J}{H}\end{aligned}$$

Where:

C is the aggregate of:

- (a) the value of the investments of the Company attributable to the C Shares of the relevant class, calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with the valuation policy adopted by the Company from time to time; and
- (b) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the relevant class of C Shares (excluding the investments valued under (a) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with the valuation policy adopted by the Company from time to time;

D is the amount (to the extent not otherwise deducted from the assets attributable to the relevant class of C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the relevant class of C Shares on the Calculation Date (including the amounts of any declared but unpaid dividends in respect of such C Shares);

E is the number of C Shares of the relevant class in issue on the Calculation Date;

F is the aggregate of:

- (a) the value of all the investments of the Company, calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with the valuation policy adopted by the Company from time to time; and
- (b) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (a) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with the valuation policy adopted by the Company from time to time;

G is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date (including the amounts of any declared but unpaid dividends);

H is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury);

I is the aggregate of:

- (a) the value of the investments of the Company attributable to all other class(es) of C Shares in issue other than the class of C Shares as referred to in C above (the “**Other Class(es) of C Shares**”), calculated by reference to the Directors’ belief as to an appropriate current value for those investments on the Calculation Date in accordance with the valuation policy adopted by the Company from time to time; and
- (b) the amount which, in the Directors’ opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the Other Class(es) of C Shares (excluding the investments valued under (a) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with the valuation policy adopted by the Company from time to time; and

J is the amount (to the extent not otherwise deducted from the assets attributable to the Other Class(es) of C Shares) which, in the Directors’ opinion, fairly reflects the amount of the liabilities of the Company attributable to the Other Class(es) of C Shares on the Calculation Date (including the amounts of any declared but unpaid dividends in respect of such C Shares),

provided that the Directors shall make such adjustments to the value or amount of A and B as the Auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the relevant class of C Shares and/or to the reasons for the issue of the relevant class of C Shares;

Deferred Shares means deferred shares of 1 penny each in the capital of the Company arising on Conversion;

Existing Ordinary Shares means the Ordinary Shares in issue immediately prior to Conversion;

Force Majeure Circumstances means (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares of the relevant class with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

Net Proceeds means the net cash proceeds of the issue of the relevant class of C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company).

- (2) The holders of the Ordinary Shares, the Redeemable Preference Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:
 - (a) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative annual dividend at a fixed rate of one per cent. of the nominal amount thereof, the first such dividend (adjusted *pro rata temporis*) (the “**Deferred Dividend**”) being payable on the date six months after the Conversion Date on which such Deferred Shares were created in accordance with paragraph 3.18(7) (the “**Relevant Conversion Date**”) and thereafter on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion

Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed repurchase of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;

- (b) the C Shareholders of each class shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the relevant class of C Shares and from income received and accrued which is attributable as determined by the Directors to the relevant class of C Shares;
 - (c) a holder of Redeemable Preference Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend of 0.01 per cent. per annum on the nominal amount of the Redeemable Preference Shares held by that person, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 days of the end of such period;
 - (d) the Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;
 - (e) the Ordinary Shares into which C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions made or declared by reference to a record date falling after the Calculation Date; and
 - (f) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to such C Shares (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).
- (3) The holders of the Ordinary Shares, the Redeemable Preference Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:
- (a) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when any C Shares are for the time being in issue and prior to the Conversion Date relating to such C Shares be applied (after having deducted therefrom an amount equivalent to (C-D) in respect of each class of C Shares in issue using the methods of calculation of C and D given in the definition of Conversion Ratio above save that the "Calculation Date" shall be such date as the liquidator may determine, which amount attributable to each class shall be applied amongst the C Shareholders of such class *pro rata* according to the nominal capital paid up on their holdings of C Shares) first, amongst the Redeemable Preference Shareholders *pro rata* according to the nominal capital paid up on their holdings of Redeemable Preference Shares and, second, amongst the existing Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares, provided however that the holders of the Redeemable Preference Shares shall only receive an amount up to the capital paid up on such Redeemable Preference Shares and the Redeemable Preference Shares shall not confer the right to participate in any surplus remaining following payment of such amount; and
 - (b) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares are for the time being in issue be applied as follows:
 - (i) first, if there are Deferred Shares in issue, in paying to the deferred shareholders 1 penny in aggregate in respect of every 1,000,000 Deferred Shares (or part thereof) of which they are respectively the holders; and

- (ii) secondly, the surplus shall be divided, first, amongst the Redeemable Preference Shareholders *pro rata* according to the nominal capital paid up on their holdings of Redeemable Preference Shares and, second, amongst the Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares, provided however that the holders of the Redeemable Preference Shares shall only receive an amount up to the capital paid up on such Redeemable Preference Shares and the Redeemable Preference Shares shall not confer the right to participate in any surplus remaining following payment of such amount.
- (4) As regards voting:
 - (a) the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and Existing Ordinary Shares were a single class; and
 - (b) the Deferred Shares and the Redeemable Preference Shares shall not carry any right to receive notice of or attend or vote at any general meeting of the Company.
- (5) The following provisions shall apply to the Deferred Shares:
 - (a) C Shares shall be issued on such terms that the Deferred Shares arising upon their Conversion may be repurchased by the Company in accordance with the terms set out herein;
 - (b) immediately upon a Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of that Conversion for an aggregate consideration of 1 penny for every 1,000,000 Deferred Shares and the notice referred to in paragraph 3.18(8)(b) below shall be deemed to constitute notice to each C Shareholder of the relevant class (and any person or persons having rights to acquire or acquiring C Shares of the relevant class on or after the Calculation Date) that the relevant Deferred Shares shall be repurchased immediately upon the relevant Conversion for an aggregate consideration of 1 penny for every 1,000,000 Deferred Shares. On repurchase, each such Deferred Share shall be treated as cancelled in accordance with section 706 of the Act without further resolution or consent; and
 - (c) the Company shall not be obliged to: (i) issue share certificates to the deferred shareholders in respect of the Deferred Shares; or (ii) account to any deferred shareholder for the repurchase moneys in respect of such Deferred Shares.
- (6) For so long as any C Shares are for the time being in issue, until Conversion of such C Shares and without prejudice to its obligations under applicable laws the Company shall:
 - (a) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to each class of C Shares in issue;
 - (b) allocate to the assets attributable to each class of C Shares in issue such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to each class of C Shares in issue (both dates inclusive) as the Directors consider to be attributable to the relevant C Shares; and
 - (c) give or procure the giving of appropriate instructions to the Investment Manager to manage the Company's assets so that such undertakings can be complied with by the Company.

- (7) A class of C Shares for the time being in issue shall be sub-divided and converted into new Ordinary Shares and Deferred Shares on the Conversion Date relating to such class of C Shares in accordance with the following provisions of this paragraph 3.18(7):
- (a) the Directors shall procure that within 10 Business Days of the Calculation Date:
 - (i) the Conversion Ratio as at the Calculation Date and the numbers of new Ordinary Shares and Deferred Shares to which each C Shareholder of the relevant class shall be entitled on Conversion shall be calculated; and
 - (ii) the Auditors shall be requested to confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are converting into the Company's shares, subject to the proviso immediately after the definition of "J" in paragraph 3.18(1) above;
 - (b) the Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the Calculation Date, a notice is sent to each C Shareholder of the relevant class, as applicable, advising such C Shareholder of the Conversion Date, the Conversion Ratio and the numbers of new Ordinary Shares and Deferred Shares to which such C Shareholders will be entitled on Conversion;
 - (c) on Conversion each C Share of the relevant class in issue as at the Conversion Date shall automatically sub-divide into 10 conversion shares of 1 penny each and such conversion shares of 1 penny each shall automatically convert into such number of new Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
 - (i) the aggregate number of new Ordinary Shares into which the same number of conversion shares of 1 penny each are converted equals the number of C Shares of the relevant class in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole new Ordinary Share); and
 - (ii) each conversion share of 1 penny which does not so convert into a new Ordinary Share shall convert into one Deferred Share;
 - (d) the new Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C Shareholders of the relevant class *pro rata* according to their respective former holdings of C Shares of the relevant class (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to new Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any new Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company);
 - (e) forthwith upon Conversion, the share certificates relating to the C Shares of the relevant class shall be cancelled and the Company shall issue to each relevant former C Shareholder of the relevant class new certificates in respect of the new Ordinary Shares which have arisen upon Conversion to which that person is entitled. Share certificates will not be issued in respect of the Deferred Shares; and
 - (f) the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

3.20 Redemption

The Company may by notice in writing and upon tendering to a registered holder of Redeemable Preference Shares the amount of capital paid up thereon, redeem any Redeemable Preference Shares at any time and in any event no later than 31 December 2021 (subject to the provisions of the Act) and such holder shall be bound to deliver up any certificate which may have been

representing the same. Upon redemption, the name of the registered holder shall be removed from the Register. Each Redeemable Preference Share which is redeemed shall thereafter be cancelled.

4 Interests of Directors, major shareholders and related party transactions

- 4.1 The Directors intend to subscribe for Ordinary Shares pursuant to the Initial Issue in the amounts set out below:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Share capital*</i>
Richard Laing**	50,000	0.033
Sarah Ing	30,000	0.020
Kunle Olafare	37,500	0.025

* Assuming the issued share capital of the Company at Admission is 150 million Ordinary Shares.

** The Company has received notification from Richard Laing that it is intended that all of the Ordinary Shares attributable to him will be legally and beneficially owned by his spouse.

Save as disclosed in this paragraph, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 4.2 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. The Directors are subject to retirement by rotation in accordance with the Articles.

There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.

- 4.3 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman of the Board, the initial fees will be £25,000 per annum for each Director plus an additional annual fee of £5,000 per annum for the chairman of the Audit and Risk Committee. The Chairman's initial fee will be £35,000 per annum.

There are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits.

- 4.4 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

- 4.5 Over the five years preceding the date of this Prospectus, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of the following administrative, management or supervisory bodies and/or partnerships:

<i>Name</i>	<i>Current</i>	<i>Previous</i>
Richard Laing	3i Infrastructure plc JPMorgan Emergy Markets Investment Trust plc Leeds Castle Foundation Tritax Big Box REIT plc	Cumnor House School Trust Development Works Ltd Foster Parents Plan International (UK) Ltd Miro Forestry Company Limited Miro Forestry Developments Limited Murray Income Trust plc ODI Sales Limited Overseas Development Institute Perpetual Income and Growth Investment Trust plc (in voluntary liquidation) Plan International (UK)

<i>Name</i>	<i>Current</i>	<i>Previous</i>
Clare Brook	Blue Marine Foundation	–
Sarah Ing	CMC Markets plc XPS Pensions Group plc	The Horse Rangers Association (Hampton Court) Limited
Kunle Olafare	SKF Trading Limited Surrey County Cricket Club Limited	Haberdashers' Aske's Federation Trust

4.6 Save as disclosed in the foregoing paragraph, the Directors in the five years before the date of this Prospectus:

- do not have any convictions in relation to fraudulent offences;
- have not been associated with any bankruptcies, receiverships, liquidations or administrations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

4.7 As at the date of this Prospectus, insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights.

4.8 All Shareholders have the same voting rights in respect of shares of the same class in the share capital of the Company.

4.9 Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by the AIFM, as described in paragraphs 2.1 and 2.2 of this Part 8 above.

4.10 Save as disclosed in paragraph 4.9 above, the Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

4.11 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

4.12 Save for the entry into of the AIFM Agreement, the Directors' appointment letters, the Company has not entered into any related party transaction at any time since incorporation.

4.13 As at the date of this Prospectus, none of the Directors has any conflict of interest or potential conflicts of interest between any duties to the Company and that Director's private interests and any other duties. The AIFM, the Investment Manager, any of their respective directors, officers, employees, agents and affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an **"Interested Party"**) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

5 Investment restrictions

The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part 1 of this Prospectus.

In order to comply with the Listing Rules, the Company will not invest more than 10 per cent. of Net Assets in listed closed-ended investment funds.

In the event of a breach of the investment policy set out in Part 1 of this Prospectus and the investment, leverage and borrowing restrictions set out therein, the Investment Manager shall inform the AIFM and

the Board upon becoming aware of the same and if the AIFM and/or the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

The Company must not conduct any trading activity which is significant in the context of its group as a whole.

6 Material contracts

Save as described below, the Company has not (i) entered into any material contracts (other than contracts in the ordinary course of business) within the two years immediately preceding the publication of this Prospectus; or (ii) entered into any contracts that contain provisions under which the Company has any obligation or entitlement that is material to the Company as at the date of this Prospectus.

6.1 Placing Agreement

Pursuant to the Placing Agreement dated 26 May 2021 between the Company, the Directors, the AIFM, the Investment Manager and Winterflood, Winterflood has, subject to certain conditions, agreed to use its reasonable endeavours to procure subscribers for Shares pursuant to the Initial Placing and any Subsequent Placing.

The Placing Agreement may be terminated by Winterflood in certain customary circumstances prior to Initial Admission or, as applicable, a Subsequent Admission. The Company has appointed Winterflood as sponsor, financial adviser and broker to the Company in connection with the Issue.

The obligation of Winterflood to use its reasonable endeavours to procure subscribers for Shares is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, *inter alia*: (i) in respect of Initial Admission, Initial Admission occurring not later than 8.00 a.m. on 5 July 2021 (or such later time and/or date as the Company, the AIFM and Winterflood may agree not being later than the close of business on 30 July 2021), and (ii) in the case of any Subsequent Admission, the relevant Subsequent Admission occurring not later than 8.00 a.m. on such date as the Company and Winterflood may agree in relation to the relevant Subsequent Admission, or such later date as the Company and Winterflood may agree in relation to that Subsequent Admission but in any event not later than 8.00 a.m. on 25 May 2022.

Winterflood is entitled to a placing commission (together with applicable VAT) based on the Gross Proceeds of (i) the Initial Issue minus the Intermediaries' commission (in respect of the Initial Issue and conditional upon Initial Admission) and (ii) the relevant Subsequent Placing (in respect of each Subsequent Placing which Winterflood is acting as placing agent). Winterflood is entitled at its discretion and out of its own resources at any time to retain agents in relation to the Initial Issue and/or the Placing Programme, and may pay commission to any or all of those agents out of its own expenses. In addition, Winterflood is entitled to be reimbursed for all reasonable out of pocket expenses which Winterflood may incur, including without limitation, travel, accommodation, courier and any agreed legal fees (subject to the prior written consent of the Company in certain circumstances).

The Company, the Directors, the AIFM and the Investment Manager have given warranties to Winterflood concerning, *inter alia*, the accuracy of the information contained in this Prospectus. The Company, the AIFM and the Investment Manager have also given indemnities to Winterflood. The warranties and indemnities given in the agreement are standard for an agreement of this nature.

The Placing Agreement is governed by the laws of England and Wales.

6.2 AIFM Agreement

The AIFM Agreement between the Company and the AIFM dated 26 May 2021, pursuant to which the AIFM has agreed to act as the Company's alternative investment fund manager for the purposes of the AIFM Rules and to provide administrative and marketing services to the Company.

Under the agreement, the AIFM shall provide all of the usual and necessary services of a manager of an investment trust including such management, risk management, portfolio

management, accounting, administrative, consultancy, advisory and general management services as are necessary for this purpose and in performing the services under the AIFM Agreement, the AIFM shall act at all times in a manner consistent with the compliance by the Company with the requirements of the Act and any other applicable legislation and regulations (including, inter alia, the Listing Rules, Prospectus Regulation Rules and the Disclosure Guidance and Transparency Rules and MAR).

The AIFM has delegated to the Investment Manager the provision of portfolio management services pursuant to the terms of the Investment Management Agreement between the AIFM and the Investment Manager dated 21 May 2021. The AIFM is responsible for the payment of the Investment Manager's fees. Under the terms of the Investment Management Agreement either the AIFM or the Investment Manager can terminate the Investment Management Agreement by giving to the other not less than 12 months' written notice. The Investment Management Agreement may also be terminated with immediate effect on the occurrence of certain events, including insolvency or in the event of a material breach which fails to be remedied within 30 days of receipt of written notice, or if the Investment Manager or AIFM ceases to be authorised by the FCA. In addition, the Investment Management Agreement shall terminate automatically upon termination of the AIFM Agreement.

Under the terms of the AIFM Agreement, the AIFM is entitled to a fee, details of which are set out in Part 4 of this Prospectus under the sub-heading "Ongoing annual expenses". The AIFM will also be entitled to reimbursement of all expenses properly and reasonably and incurred by the AIFM on behalf of the Company.

The AIFM Agreement is terminable by either the Company or the AIFM giving to the other not less than 6 months' written notice, such notice not to be provided earlier than 30 months after Initial Admission. The AIFM Agreement may be summarily terminated by the Company by notice in writing on the occurrence of certain events, including, inter alia, insolvency or in the event of a material breach which fails to be remedied within 30 days of receipt of notice, or if the AIFM ceases to be authorised for the purposes of FSMA, or if the scope of the AIFM's permission from the FCA to act as AIFM of the Company is restricted or suspended to the extent that it impairs the AIFM's ability to perform its obligations under the AIFM Agreement. The AIFM Agreement may also be terminated with immediate effect on the occurrence of certain events, including, inter alia, insolvency or in the event of a material breach which fails to be remedied within 30 days of receipt of notice, or if the Investment Management Agreement is terminated.

The Company has agreed to indemnify the AIFM against all claims by third parties which may be made against the AIFM by reason of the proper performance of its duties under the agreement, except to the extent that the claim is due to a material breach of the agreement by the AIFM, a breach of the rules of the FCA by the AIFM, or the negligence, wilful default or fraud of the AIFM.

The AIFM Agreement is governed by the laws of England and Wales.

6.3 *Depositary Agreement*

The Depositary Agreement dated 21 May 2021, between the Company, the AIFM and the Depositary, pursuant to which the Depositary is appointed as the Company's depositary.

Under the terms of the Depositary Agreement, the Depositary is entitled to be paid the fees identified in paragraph 4.3 of Part 4 of this Prospectus.

The Depositary Agreement provides for the Depositary to be indemnified by the Company from any and all taxes, charges, expenses (including reasonable legal fees), assessments, claims or liabilities incurred by the Depositary or its delegates (or the agents or correspondents of the Depositary or its delegates) in connection with its performance of the Depositary Agreement except such losses as may arise from its negligence, failure to exercise reasonable care, wilful default or fraud of the Depositary or any liability imposed by law. In the case of such liabilities incurred by the Depositary, losses that arise from intentional failure, material breach of the Depositary Agreement (where such breach is directly linked to the loss) or relevant laws are also excluded.

The Depositary Agreement also provides for the Depositary and its employees, officers and directors to be indemnified by the Company from any and all reasonable costs, liabilities and expenses resulting directly from the fact that the Depositary (or employees, officers and directors of the Depositary acting on behalf of the Depositary) acted as agent of the Company in accordance with authorised instructions, except in the case of the Depositary's (or the Depositary's employees', officers' or directors') fraud, wilful misconduct, negligence, intentional failure, material breach of the Depositary Agreement (where such breach is directly linked and attributable to the loss), relevant laws or in the event such indemnification would be contrary to relevant laws.

In accordance with the terms of the Depositary Agreement, and subject to the provisions of relevant laws, the Depositary may delegate any of its functions (save for its oversight or cash monitoring functions) under the Depositary Agreement. The liability of the Depositary shall in principle not be affected by any delegation of its custody function and the Depositary shall be liable to the Company or its investors for the loss of securities by the Depositary or a third party to whom the custody of securities has been delegated. The Depositary may discharge its responsibility in case of a loss of a security: (i) in the event that the loss has arisen as a result of an external event beyond the reasonable control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; (ii) the delegate of the Depositary does not meet specified requirements as set out in the Depositary Agreement and there are no other local entities in such country that meet such requirements, but the use of a local entity is required by the law of such country (subject to (a) the constitutional documents of the Company allowing such discharge; (b) the investors in the Company being fully informed (as provided in the constitutional documents of the Company); (c) the appointment of the delegate being in accordance with the Depositary Agreement; and (d) there being a written contract between the Depositary and the relevant delegate which expressly transfers the liability and provides that the Company (or the AIFM acting on behalf of the Company) may claim against that delegate directly or for the Depositary to make a claim on behalf of the Company); or (iii) where the loss was caused by an act or omission of a delegate (or event affecting the delegate, such as insolvency) and the Depositary can prove that relevant requirements for safe-keeping delegation were met and a written contract between the Depositary and the relevant delegate which expressly transfers the liability and provides that the Company (or the AIFM acting on behalf of the Company) may claim against that delegate directly or for the Depositary to make a claim on behalf of the Company. Otherwise than in respect of a loss of a financial instrument held in custody, the Depositary shall only be liable for damages suffered by the Company (or investors in the Company) as a direct result of the Depositary's fraud, wilful misconduct, negligent or intentional failure to properly fulfil its obligations in relation to the services provided under the Depositary Agreement or its material breach of the Depositary Agreement (where such breach is directly linked to the loss). Indirect and/or consequential damages are excluded.

The Depositary Agreement is terminable by the Company, the AIFM or the Depositary giving to the other parties not less than 90 days' written notice. In addition, any party to the Depositary Agreement may terminate the agreement on immediate notice in the event that the other party (i) has become subject to bankruptcy, insolvency or similar procedures, (ii) has ceased to be licensed for its activity under the Depositary Agreement or ceased to have approval(s) by applicable institutions that are required for its activities, (iii) has materially defaulted on its obligations under the Depositary Agreement and such default has not been remedied within two weeks following notice from another party to the Depositary Agreement (or such other time period as may be agreed), (iv) has committed any persistent material breach (which materially adversely impacts the other parties to the Depositary Agreement), whether or not it is remedied in a timely manner or capable of remedy or (v) has become subject to any material investigation or proceeding of any regulatory body in any applicable jurisdiction (other than any audit, examination or inquiry of a routine nature by any taxation, regulatory or self-regulatory agent) which, in the reasonable opinion of the other parties, may reasonably be believed to bring another party into disrepute.

The Depositary Agreement is governed by the laws of England and Wales.

6.4 **Company Secretarial Agreement**

The Company Secretarial Agreement between the Company and the Company Secretary dated 26 May 2021, pursuant to which the Company Secretary has agreed to provide company secretarial services to the Company including, *inter alia*, (i) preparing the annual and half-yearly reports of the Company, (ii) maintaining the books, statutory registers and other corporate records of the Company, (iii) assisting with meetings of the Board and the annual general meetings of the Company, and (iv) advising on corporate governance of the Company.

Under the terms of the Company Secretarial Agreement, the Company Secretary is entitled to receive an annual fee of £75,000, in addition to a set-up fee of £30,000. Additional fees will be payable by the Company to the Company Secretary in respect of any additional services including, *inter alia*, payroll services and additional Board or committee meetings (in addition to the quarterly Board meetings and annual general meetings of the Company) that may be held from time to time.

The Company Secretary will also be entitled to reimbursement, by the Company, of all reasonable out of pocket expenses incurred by the Company Secretary (or any of its representatives) in connection with its performance of the company secretarial services under the Company Secretarial Agreement.

The Company Secretarial Agreement limits the Company Secretary's liability thereunder to the higher of £1,000,000.00 or an amount equal to three times all of the fees charged and received by the Company Secretary under the Company Secretarial Agreement in the 12 month period prior to the loss or incident. The Company has agreed to indemnify and hold harmless the Company Secretary, its group and its directors, officers, employees and any representative against any losses (including, *inter alia*, costs, charges, expenses (including reasonable legal fees), payments and claims) arising directly as a result of the same person acting in good faith in reliance on proper instructions, or in respect of any act or omission in connection with the performance of the company secretarial services under the Company Secretarial Agreement, except to the extent such losses are determined to have resulted from fraud, wilful default, wilful misconduct or gross negligence on the part of the Company Secretary, its group and its directors, officers, employees or its representative. The Company Secretarial Agreement is governed by the laws of England and Wales.

6.5 **Registrar Agreement**

The Registrar Agreement between the Company and the Registrar dated 26 May 2021, pursuant to which the Registrar has been appointed as registrar to the Company.

The Registrar Agreement is for a period of 3 years from the date of Initial Admission. The Registrar Agreement may be terminated by either party on at least 12 months' written notice, provided that the earliest date on which the Registrar Agreement may be terminated is the expiry of the initial 3 year period. In addition, either party may terminate the Registrar Agreement with immediate effect by notice in writing to the other:

- (a) if the other commits a material breach of any of its obligations under the Registrar Agreement, and (if the breach is capable of remedy) it has failed to remedy such breach within thirty (30) days' of written notice;
- (b) if the other becomes insolvent (or similar); or
- (c) if the other ceases, or threatens to cease, to carry on the whole or any substantial part of its business (provided that the Company is only entitled to terminate the Registrar Agreement if, consequently, the Registrar will be unable to perform the whole or any substantial part of the services under the Registrar Agreement)..

The Registrar shall be entitled to receive an annual share register maintenance fee of £5,000 per annum for the second and third year of the Registrar Agreement (there is no share register maintenance fee in the first year of the Registrar Agreement) plus £1 per Shareholder account in excess of 5,000 shareholder accounts per annum (plus VAT if applicable). In addition, the Registrar is entitled to receive an annual share register analysis reporting service fee of £6,000 per annum (plus VAT if applicable). The Registrar is also entitled to certain activity fees. The

Registrar shall also be entitled to reimbursement of all reasonable costs and client disbursements.

The Registrar Agreement limits the Registrar's liability thereunder (and/or that of its affiliates and their respective directors, officers, employees and agents) to an amount equal to four times the total charges paid by the Company to the Registrar pursuant to the Registrar Agreement in the 12 months prior to the date the loss is incurred. The Company has agreed to indemnify, defend and hold harmless the Registrar, each member of the Registrar's group and their respective directors against any and all losses, liabilities, costs, charges, expenses, actions, proceedings, claims, fines or damages (including any damages or compensation paid on the advice of its legal advisers to compromise or settle any claim and all legal costs or other expenses of investigating and defending any claim) arising as a result of (i) the Registrar following a specific instruction of the Company and (ii) the Registrar properly discharging the statutory (and the Act) duties of the Company as the Company's registrar, except to the extent such losses caused by the fraud, wilful default or negligence of the Registrar, each member of the Registrar's group and their respective directors.

The Registrar Agreement is governed by the laws of England and Wales.

6.6 Receiving Agent Agreement

The Receiving Agent Agreement between the Company and the Receiving Agent dated 26 May 2021, pursuant to which the Receiving Agent has agreed to act as receiving agent to the Company in respect of the Initial Issue.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to receive customary management fees. The Receiving Agent will also be entitled to reimbursement, by the Company, of reasonable out of pocket expenses incurred in connection with the services provided under the Receiving Agent Agreement.

The Receiving Agent Agreement limits the Receiving Agent's total, aggregate liability thereunder to the higher of (i) £100,000, or (ii) 4 times the total charges payable to the Receiving Agent for the provision of the services pursuant to the Receiving Agent Agreement. The Company has agreed to indemnify and hold harmless the Receiving Agent against direct loss, liability or reasonable expense including the costs and expenses of defending any claim or liability incurred without wilful default, gross negligence or fraud, on the Receiving Agent's part arising out of or in connection with the Receiving Agent acting as receiving agent and or otherwise in connection with the various CREST procedures and transactions referred to in the Receiving Agent Agreement.

The Receiving Agent Agreement is governed by the laws of England.

7 Litigation

There are no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company.

8 Significant change

As at the date of this Prospectus, there has been no significant change in the financial position of the Company since its incorporation.

9 Working capital

The Company is of the opinion that, taking into account the Minimum Gross Proceeds, the working capital available to the Company is sufficient for its present requirements, that is for at least 12 months from the date of this Prospectus.

If the Minimum Gross Proceeds are not raised, the Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum gross proceeds figure) has been prepared in relation to the Company and approved by the FCA.

10 Capitalisation and indebtedness

As at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and there have been no material changes to the Company's capitalisation from the date of incorporation to the date of this Prospectus.

11 General

- 11.1 Where information has been sourced from third parties, the Company confirms that this information has been accurately reproduced and that, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 11.2 The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name and to the information referred to at paragraph 11.3 below, each in the form and context in which they appear.
- 11.3 The Investment Manager accepts responsibility for the information attributed to it in this Prospectus, including without limitation the information contained in paragraph 6 of Part 1 (Sustainable Future Investment Strategy), paragraph 10 of Part 1 (Sustainability Reporting and Other Initiatives), Part 2 (Background to the Sustainable Future Investment Strategy and Outlook), Part 3 (The Investment Manager's Sustainable Future Investment Process), paragraph 3 of Part 4 (The Investment Manager), paragraph 11.3 of this Part 8 (General) of this Prospectus (the "**Investment Manager Sections**") for the purposes of Prospectus Regulation Rule 5.3.2(2)(f). To the best of the knowledge of the Investment Manager, the Investment Manager Sections are in accordance with the facts and make no omission likely to affect its import.
- 11.4 The AIFM has given and not withdrawn its written consent to the publication of this Prospectus with the inclusion of its name and references to it in the form and context in which they appear.
- 11.5 Winterflood has given and not withdrawn its written consent to the publication of this Prospectus with the inclusion of its name and references to it in the form and context in which they appear.
- 11.6 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Initial Issue is subscribed as to 150 million Ordinary Shares, the fundraising is expected to increase the net assets of the Company by approximately £147 million. The effect of any Subsequent Placing under the Placing Programme will be to increase the net assets of the Company. On the assumption that the Placing Programme is subscribed as to 250 million Shares, at a Placing Programme Price of 100 pence per Share, the Placing Programme is expected to increase the net assets of the Company by approximately £245 million.

12 Auditors

The auditors to the Company are BDO LLP whose registered office is at 55 Baker Street, London, W1U 7EU. BDO LLP is registered to carry on audit work by The Institute of Chartered Accountants in England and Wales.

13 Depositary

The Bank of New York Mellon (International) Limited, whose registered office is located at One Canada Square, London E14 5AL, United Kingdom, acts as the Company's depositary and will safeguard all of the assets of the Company. The Depositary is a private company limited by shares, registered in England and Wales with number 03236121 and was incorporated on 9 August 1996. The Depositary's telephone number is +44 (0)207 570 1784. The Depositary maintains its registered office and place of central administration in the United Kingdom. The Depositary is authorised in the UK by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The principal business of the Depositary is the provision of custodial, banking and related financial services.

14 Documents on display

The following documents will be available on the Company's website at www.liontrust.co.uk/esgt and for inspection during usual business hours on any day (Saturdays, Sundays and public holidays)

excepted) at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU until the date of Admission:

14.1 this Prospectus; and

14.2 the memorandum of association of the Company and the Articles.

15 Intermediaries

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus are:

AJ Bell Securities Limited;

Hargreaves Lansdown Nominees Limited;

Interactive Investor Services Limited; and

PrimaryBid Limited.

Dated 26 May 2021

PART 9

TERMS AND CONDITIONS OF APPLICATION UNDER THE INITIAL PLACING AND ANY SUBSEQUENT PLACING UNDER THE PLACING PROGRAMME

1 Introduction

- 1.1 Each Placee which confirms its agreement to the Company and/or Winterflood to subscribe for Shares under a Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 The Company and/or Winterflood may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) see(s) fit.
- 1.3 The commitment to acquire Shares under a Placing will be agreed orally with Winterflood as agent for the Company and further evidenced in a contract note ("**Contract Note**") or placing confirmation ("**Placing Confirmation**") or any subscription letter.

2 Agreement to subscribe for Shares and conditions

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those Shares allocated to it at the Issue Price or, as applicable, at the relevant Placing Programme Price, conditional on:
 - 2.1.1 the Placing Agreement becoming unconditional in respect of the relevant Placing (save for any condition relating to an Admission) and not having been terminated on or before the date of Admission of the relevant Shares being issued;
 - 2.1.2 in respect of the Initial Placing, Admission of the Ordinary Shares occurring and becoming effective by 8.00 a.m. on or prior to 5 July 2021 (or such later time and/or date as the Company and Winterflood may agree and, in any event, no later than 8.00 a.m. on 30 July 2021);
 - 2.1.3 in respect of the Initial Placing, the Minimum Gross Proceeds (or such lower amount as the Company and Winterflood may agree) being raised;
 - 2.1.4 in the case of any Subsequent Placing, any Admission of Shares occurring not later than 8.00 a.m. on such dates as may be agreed between the Company and Winterflood prior to the closing of each Placing, not being later than 25 May 2022;
 - 2.1.5 in the case of any Subsequent Placing, the relevant Placing Programme Price being determined by the Directors;
 - 2.1.6 a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; and
 - 2.1.7 the Company having in place appropriate Shareholder authorities to issue the relevant Shares.
- 2.2 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.
- 2.3 If the Minimum Gross Proceeds (or such lesser amount as the Company and Winterflood may agree) are not raised, the Initial Placing will lapse and all proceeds will be returned to Placees without interest and at the Placee's risk.

3 Payment for Shares

- 3.1 Each Placee must pay the Issue Price or the relevant Placing Programme Price for the Shares issued to the Placee, as applicable, in the manner and by the time directed by Winterflood. If any

Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Shares may, at the discretion of Winterflood, as appropriate, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.

- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the Issue Price or the relevant Placing Programme Price for the Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Winterflood elects to accept that Placee's application, Winterflood may sell all or any of the Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Winterflood's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Shares on such Placee's behalf.

4 Representations and warranties

By agreeing to subscribe for Shares, each Placee which enters into a commitment to subscribe for Shares will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant and acknowledge to each of the Company, the AIFM, the Investment Manager, the Registrar and Winterflood that:

- 4.1 in agreeing to subscribe for Shares under the Initial Placing and/or any Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company or any Placing. It agrees that none of the Company, the AIFM, the Investment Manager, Winterflood or the Registrar, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 4.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under a Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will result in the Company, the AIFM, the Investment Manager, Winterflood or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with any Placing;
- 4.3 it has carefully read and understands this Prospectus and any supplementary prospectus issued by the Company in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 9 and, as applicable, in the Contract Note or Placing Confirmation and any subscription letter and the Articles as in force at the date of Admission of the relevant Shares and agrees that in accepting a participation in any Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Shares;
- 4.4 it has not relied on Winterflood or any person affiliated with Winterflood in connection with any investigation of the accuracy of any information contained in the Prospectus and/or any supplementary prospectus issued by the Company and it has relied on its own investigation with respect to the Shares and the Company in connection with its investment decision;
- 4.5 the content of this Prospectus and any supplementary prospectus issued by the Company is exclusively the responsibility of the Company and its Directors and, to the extent stated in paragraph 11.3 of Part 8 of this Prospectus, the Investment Manager, and neither Winterflood nor any person acting on their respective behalf nor any of their respective affiliates are responsible for or shall have any liability for any information, representation or statement contained in the Prospectus or any supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in any Placing based

on any information, representation or statement contained in this Prospectus or any supplementary prospectus issued by the Company or otherwise;

- 4.6 it acknowledges that no person is authorised in connection with any Placing to give any information or make any representation other than as contained in this Prospectus and/or any supplementary prospectus issued by the Company and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the AIFM, the Investment Manager or Winterflood;
- 4.7 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);
- 4.8 its commitment to acquire Shares under any Placing will be agreed orally or in writing (which shall include by email) with Winterflood as agent for the Company and that a Contract Note or Placing Confirmation will be issued by Winterflood as soon as possible thereafter. That oral or written agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Winterflood to subscribe for the number of Shares allocated to it and comprising its Placing Commitment at the Issue Price or the relevant Placing Programme Price on the terms and conditions set out in this Part 9 and, as applicable, in the Contract Note or Placing Confirmation and any subscription letter and in accordance with the Articles in force as at the date of any Admission. Except with the consent of Winterflood such oral or written commitment will not be capable of variation or revocation after the time at which it is made;
- 4.9 its allocation of Shares under any Placing will be evidenced by a Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Winterflood as agent for the Company. The terms of this Part 9 will be deemed to be incorporated into that Contract Note or Placing Confirmation;
- 4.10 settlement of transactions in the Shares following any Admission will take place in CREST but Winterflood reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in any subscription letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- 4.11 it accepts that none of the Shares has been or will be registered under the laws of, or with any securities regulatory authority of, the United States, Australia, Canada, the Republic of South Africa or Japan (each a "**Restricted Jurisdiction**"). Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 4.12 if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Shares may otherwise lawfully be offered under such Order or is a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- 4.13 if it is a resident in a Relevant State it is, (a) a qualified investor within the meaning of Article 2(e) of the EEA Prospectus Regulation; and (b) it is a person to whom the Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of such Relevant State;
- 4.14 in the case of any Shares acquired by a Placee as a financial intermediary as that term is used in Article 5(2) of the Prospectus Regulation of the EEA Prospectus Regulation (as the case may be), (i) the Shares acquired by it in a Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant State other than

qualified investors, as that term is defined in the Prospectus Regulation or the EEA Prospectus Regulation (as the case may be), or in circumstances in which the prior consent of Winterflood has been given to the offer or resale; or (b) where Shares have been acquired by it on behalf of persons in any Relevant State other than qualified investors, the offer of those Shares to it is not treated under the EEA Prospectus Regulation as having been made to such persons;

- 4.15 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no documents are being issued by Winterflood in its capacity as an authorised person under section 21 of FSMA and such documents may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- 4.16 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving, the United Kingdom;
- 4.17 it acknowledges that no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- 4.18 it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- 4.19 if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with any Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares pursuant to a Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.20 it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;
- 4.21 if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Shares under a Placing and will not be any such person on the date any such agreement to subscribe under the Placing is accepted;
- 4.22 it has complied and will comply with all applicable provisions of the Criminal Justice Act 1993 and the Market Abuse Regulation with respect to anything done by it in relation to any Placing and/or the Shares;
- 4.23 it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted the Prospectus or any other offering materials concerning a Placing or the Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.24 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "*United States purchase and transfer restrictions*" in paragraph 7 below;
- 4.25 it acknowledges that neither Winterflood nor any of its affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any

transactions it may enter into in connection with a Placing or providing any advice in relation to a Placing and participation in any Placing is on the basis that it is not and will not be a client of Winterflood and that Winterflood does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to any Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under any Placing;

- 4.26 it acknowledges that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (a) to subscribe for the Shares for each such account; (b) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (c) to receive on behalf of each such account any documentation relating to the relevant Placing in the form provided by the Company and/or Winterflood. It agrees that the provisions of this paragraph shall survive any resale of the Shares by or on behalf of any such account;
- 4.27 it acknowledges that, save in the event of fraud on the part of Winterflood or any person acting on Winterflood's behalf, neither Winterflood, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of its directors, members, partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of its role as bookrunner or otherwise in connection with any Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;
- 4.28 if it is acting as a "distributor" (for the purposes of the Product Governance Requirements):
 - 4.28.1 it acknowledges that the Target Market Assessment undertaken by the AIFM and Winterflood does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels;
 - 4.28.2 notwithstanding any Target Market Assessment undertaken by the AIFM and Winterflood, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market;
 - 4.28.3 it acknowledges that the price of the Shares may decline and Shareholders could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom; and
 - 4.28.4 it agrees that if so required by Winterflood, the AIFM or the Investment Manager, it shall provide aggregate summary information on sales of the Shares as contemplated under rule 3.3.30(R) of the PROD Sourcebook and information on the reviews carried out under rules 3.3.26(R) to 3.3.28(R) of the PROD Sourcebook;
- 4.29 it irrevocably appoints any director of the Company and any director of Winterflood to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares for which it has given a commitment under a Placing, in the event of its own failure to do so;
- 4.30 it accepts that if a Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Shares for which valid applications are received and accepted are not admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market for any reason whatsoever then none of Winterflood nor the

Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

- 4.31 in connection with its participation in a Placing it has observed all relevant legislation and regulations;
- 4.32 it acknowledges that Winterflood and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.33 the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Winterflood and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Shares are no longer accurate, it shall promptly notify Winterflood and the Company;
- 4.34 where it or any person acting on behalf of it is dealing with Winterflood, any money held in an account with Winterflood on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Winterflood to segregate such money, as that money will be held by Winterflood under a banking relationship and not as trustee;
- 4.35 any of its clients, whether or not identified to Winterflood, will remain its sole responsibility and will not become clients of Winterflood for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.36 it authorises Winterflood to deduct from the total amount subscribed under a Placing the aggregate commission (if any) payable on the number of Shares allocated under such Placing;
- 4.37 the commitment to subscribe for Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of a Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of a Placing;
- 4.38 it accepts that the allocation of Shares shall be determined by the Company in its absolute discretion (in consultation with Winterflood, the AIFM and the Investment Manager) and that the Company may scale down any commitments for this purpose on such basis as it may determine;
- 4.39 time shall be of the essence as regards its obligations to settle payment for the Shares and to comply with its other obligations under a Placing; and
- 4.40 it acknowledges that the Company reserves the right to reject all or part of any offer to purchase Shares for any reason. The Company also reserves the right to sell fewer than all of the Shares offered by this Prospectus or to sell to any purchaser less than all of the Shares a purchaser has offered to purchase.

5 Money laundering

Each Placee:

- 5.1 represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("**Money Laundering Regulations**") and any other applicable law concerning the prevention of money laundering and, if it is making payment on behalf of a third party, that:
 - (i) satisfactory evidence has been obtained and recorded by it to verify the identity of the third party; and
 - (ii) arrangements have been entered into with the third party to obtain from the third party copies of any identification and verification data immediately on request as required by the Money Laundering Regulations and, in each case, agrees that pending satisfaction of such obligations, definitive certificates (or allocation under the CREST system) in respect of the Shares comprising the Placee's allocation may be retained at Winterflood's discretion; and

- 5.2 acknowledges and agrees that, due to anti-money laundering and the countering of terrorist financing requirements, Winterflood and/or the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Winterflood and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Winterflood and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis.

6 Data Protection

- 6.1 Each Placee acknowledges that it has been informed that, pursuant to the General Data Protection Regulation 2016/679 (the “**DP Legislation**”) the Company and/or the Registrar may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company’s privacy notice, which is available for review on the Company’s website at www.liontrust.co.uk/esgt (the “**Privacy Notice**”), including for the purposes set out below (collectively, the “**Purposes**”), being to:
- 6.1.1 process the personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with the Placee’s holding of Shares, including processing personal data in connection with credit and money laundering checks on the Placee;
 - 6.1.2 communicate with the Placee as necessary in connection with its affairs and generally in connection with its holding of Shares;
 - 6.1.3 to comply with the legal and regulatory obligations of the Company, and/or the Registrar; and
 - 6.1.4 process the personal data for the Registrar’s internal administration.
- 6.2 In order to meet the Purposes, it will be necessary for the Company and the Registrar to provide personal data to:
- 6.2.1 third parties located either within, or outside of the UK and/or the EEA, if necessary for the Registrar to perform its functions, or when it is necessary for its legitimate interests, and in particular in connection with the holding of Shares; or
 - 6.2.2 its affiliates, the Company (in the case of the Registrar) or the AIFM or the Investment Manager and their respective associates, some of which may be located outside of the UK and the EEA.
- 6.3 Any sharing of personal data by the Company or the Registrar with other parties will be carried out in accordance with the DP Legislation and as set out in the Company’s Privacy Notice.
- 6.4 By becoming registered as a holder of Shares a person becomes a data subject (as defined in the DP Legislation). In providing the Registrar with information, each Placee hereby represents and warrants to the Registrar that it has (i) notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company’s Privacy Notice and any other data protection notice which has been provided by the Company and/or the Registrar; and (ii) where consent is legally required under applicable DP legislation, it has obtained the consent of any data subject to the Registrar and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 6).
- 6.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person, such person has read and understood the terms of the Privacy Notice.

- 6.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person it represents and warrants that:
- 6.6.1 it has brought the Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company as a result of the Placee agreeing to subscribe for Shares; and
 - 6.6.2 the Placee has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.
- 6.7 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to a Placing:
- 6.7.1 comply with all applicable data protection legislation;
 - 6.7.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;
 - 6.7.3 if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
 - 6.7.4 it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

7 United States purchase and transfer restrictions

- 7.1 By participating in a Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the AIFM, the Investment Manager, the Registrar and Winterflood that:
- 7.1.1 it is not a US Person and it is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a US Person;
 - 7.1.2 it acknowledges that the Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;
 - 7.1.3 it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
 - 7.1.4 unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of: (a) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (b) a "plan" as defined in Section 4975 of the US Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (c) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the US Tax Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the

provisions of Title I of ERISA or Section 4975 of the US Tax Code, its purchase, holding, and disposition of the Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

- 7.1.5 if any Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

“LIONTRUST ESG TRUST PLC (THE “COMPANY”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.”;

- 7.1.6 if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the US Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- 7.1.7 it is purchasing the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- 7.1.8 it acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such Shares or interests in accordance with the Articles;
- 7.1.9 it acknowledges and understands that the Company is required to comply with UK law and regulation implementing various intergovernmental agreements relating to the automatic exchange of information for international tax compliance (“**Exchange of Information Requirements**”). It agrees to furnish any information and documents, which the Company may from time to time request for the purpose of compliance with the Exchange of Information Requirements and it further consents to allowing and authorising the Company to disclose and supply any information, forms or documentation to HMRC (who may, if required, in turn pass it on to the tax authorities of any other relevant jurisdiction) and, to the extent relevant it shall procure that the beneficial owner of the Shares provides such consent and authorisation to the Company in respect of any such information forms or documents relating to it;
- 7.1.10 it is entitled to acquire the Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the AIFM, the Investment Manager, the Registrar, Winterflood or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with any Placing or its acceptance of participation in any Placing;
- 7.1.11 it has received, carefully read and understands this Prospectus and any supplementary prospectus issued by the Company, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation

or offering materials concerning the Shares to within the United States or to any US Persons, nor will it do any of the foregoing; and

7.1.12 if it is acquiring any Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

7.2 The Company, the AIFM, the Investment Manager, the Registrar, Winterflood and their respective directors, officers, agents, employees, members, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

7.3 If any of the representations, warranties, acknowledgments or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company and Winterflood.

8 Supply and disclosure of information

If Winterflood, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Shares under a Placing, such Placee must promptly disclose it to them.

9 Miscellaneous

9.1 The rights and remedies of the Company, the AIFM, the Investment Manager, Winterflood and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

9.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with a Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

9.3 Each Placee agrees to be bound by the Articles once the Shares, which the Placee has agreed to subscribe for pursuant to a Placing, have been acquired by the Placee. The contract to subscribe for Shares under a Placing and the appointments and authorities mentioned in the Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Investment Manager, Winterflood and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

9.4 In the case of a joint agreement to subscribe for Shares under a Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

9.5 Winterflood and the Company expressly reserve the right to modify any Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined.

9.6 A Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 6 of Part 8 of this Prospectus.

PART 10

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION UNDER THE INITIAL ISSUE

1 Introduction

- 1.1 Ordinary Shares are available under the Offer for Subscription at the Issue Price. The Ordinary Shares will, when issued and fully paid, include the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.
- 1.2 Applications to acquire Ordinary Shares must be made on the Application Form attached as the Appendix to this Prospectus or otherwise published by the Company.

2 Offer for Subscription to acquire shares

- 2.1 By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
 - 2.1.1 offer to subscribe for such number of new Ordinary Shares (rounded down to the nearest whole number) as shall have an aggregate value, at the Issue Price, equal (as nearly as practicable) to the amount specified in Box 1 of your Application Form, or such lesser number for which such application is accepted, on the terms, and subject to the conditions, set out in this Prospectus, including these terms and conditions of application and the Articles;
 - 2.1.2 agree that, in consideration for the Company agreeing that it will not offer any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked, subject to your statutory right of withdrawal in the event of publication of a supplementary prospectus by the Company, and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by the Receiving Agent of your Application Form;
 - 2.1.3 undertake to pay the Issue Price for the Ordinary Shares (in full on application) in respect of which your application is accepted and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Winterflood against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received at your risk of any proceeds of the remittance which accompanied your Application Form, without interest);
 - 2.1.4 agree that, where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account (a) the Receiving Agent may in its absolute discretion amend the form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST account or in receiving your remittance in cleared funds); and (b) the Receiving Agent, the Company or Winterflood may authorise your

financial adviser or whoever the financial adviser may direct to send a document of title for or credit your CREST account in respect of, the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;

- 2.1.5 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2.1.4 of this paragraph 2.1 to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled (and any monies returnable to you) may be retained by the Receiving Agent:
- (a) pending clearance of your remittance;
 - (b) pending investigation of any suspected breach of the warranties contained in paragraphs 6.1, 6.2, 6.3, 6.8, 6.13, 6.15 or 6.16 below or any other suspected breach of these terms and conditions of application; or
 - (c) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering Regulations and any other regulations applicable thereto, and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 2.1.6 agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- 2.1.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name on which the payment accompanying the application was first drawn without interest and at your risk;
- 2.1.8 agree that you are not applying on behalf of a person engaged in money laundering;
- 2.1.9 undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- 2.1.10 undertake to pay interest at the rate described in paragraph 3.3 below if the remittance accompanying your Application Form is not honoured on first presentation;
- 2.1.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed section 5(c) on your Application Form, but subject to paragraph 2.1.4) above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by a cheque drawn on a branch of a UK clearing bank to the bank account name from which such monies were first received without interest and at your risk;
- 2.1.12 confirm that you have read and complied with paragraph 8 below;
- 2.1.13 agree that all subscription cheques will be processed through a bank account (the **"Acceptance Account"**) in the name of **"Equiniti Limited Re: Liontrust ESG Trust PLC Offer for Subscription"** opened by the Receiving Agent;

2.1.14 agree that your Application Form is addressed to the Company and the Receiving Agent; and

2.1.15 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

3 Acceptance of your offer

3.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) by notifying the FCA through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).

3.2 The basis of allocation will be determined by the Company in consultation with Winterflood, the AIFM and the Investment Manager. The right is reserved, notwithstanding the basis as so determined, to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these terms and conditions of application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept:

3.2.1 an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these terms and conditions of application; and

3.2.2 an application for less than £1,000.

3.3 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payment.

3.4 All payments must be in Sterling and cheques or banker's drafts should be written in black ink and payable to **Equiniti Limited Re: Liontrust ESG Trust PLC Offer for Subscription**". Cheques must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques to be cleared through the facilities provided by any of those companies and must bear the appropriate sort code in the top right-hand corner and must be for the full amount payable on application. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. The name of the building society or bank account holder must be the same as the name of the current shareholder or prospective investor. Please do not send cash. Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. It is a term of the Offer for Subscription that cheques shall be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid acceptances in respect of which cheques are not so honoured.

3.5 For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 29 June 2021. Please contact Equiniti by email at offer@equiniti.com and Equiniti will provide applicants with the bank account details, together with a unique reference number which must be used when sending payment. Applicants will need to provide proof of payment from their bank account along with the Application Form. Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The terms and conditions of application require that applicants provide cleared funds in support of each application. You should instruct the bank to transfer funds to ensure that both your funds are settled and your Application Form has been delivered to the Receiving Agent and by no later than 11.00 a.m. on 29 June 2021. It is recommended that such transfers are actioned within 24 hours of posting your application.

When arranging the transfer, please contact Equiniti by email at offer@equiniti.com and Equiniti will provide applicants with the bank account details, together with a unique reference number which must be used when sending payment. This is the same as the reference you enter in section 5(b) of the Application Form (using your initials and contact telephone number e.g. MJSmith 01234 5678910). This reference is used by Equiniti to match your payment with an application, and failure to provide a matching reference may delay Equiniti Limited's ability to process your application and result in it not being accepted. If your reference can not be matched by Equiniti to an application, this will be rejected back to the remitting account before the Offer for Subscription closes.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company and/or the Receiving Agent.

Please Note – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

- 3.6 Should you wish to apply for Ordinary Shares by delivery versus payment method (“DVP”), you will need to input the DVP instructions into the CREST system as instructed by the Receiving Agent, once your allocation is known. You will be contacted by the Receiving Agent by e-mail with instructions. The input returned by you or your settlement agent/custodian of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price through the CREST system upon the relevant settlement date.
- 3.7 By returning your Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 11.00 a.m. on 29 June 2021 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at the rate of two percentage points above the then published bank base rate of a clearing bank selected by the Receiving Agent.

4 Conditions

- 4.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:
- (a) Initial Admission occurring by 8.00 a.m. on 5 July 2021 (or such later time or date as the Company and Winterflood may agree (not being later than 8.00 a.m. on 30 July 2021)); and
 - (b) the Placing Agreement becoming otherwise unconditional in respect of the Initial Issue, and not being terminated in accordance with its terms before Initial Admission.
- 4.2 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5 Return of application monies

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto, without interest within 14 days. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

6 Warranties

By completing an Application Form, you:

- 6.1 undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these terms and conditions of application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 6.2 warrant, if the laws of any territory or jurisdiction outside the UK are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the UK in connection with the Offer for Subscription in respect of your application;
- 6.3 confirm that (save for advice received from your financial adviser (if any)) in making an application you are not relying on any information or representations in relation to the Company other than those contained in the Prospectus and any supplementary prospectus published by the Company before Initial Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this Prospectus or any part thereof or any supplementary prospectus published by the Company before Initial Admission or any part thereof shall have any liability for any such other information or representation;
- 6.4 agree that, having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations contained therein;
- 6.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in the Prospectus and any supplementary prospectus published by the Company before Initial Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Winterflood, the AIFM, the Investment Manager or the Receiving Agent;
- 6.6 warrant that you are not under the age of 18 on the date of your application;
- 6.7 agree that all documents and monies sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first-named holder) as set out in your Application Form;
- 6.8 warrant that you are not applying as, or as nominee or agent of, a person who is or may be a person mentioned in any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipt and clearance services);
- 6.9 confirm that you have reviewed the restrictions contained in paragraph 8 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or complied with the provisions therein;
- 6.10 agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- 6.11 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription and any non-contractual obligations existing under or in connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

- 6.12 irrevocably authorise the Company, Winterflood or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or Winterflood and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;
- 6.13 agree to provide the Company with any information which it, Winterflood or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations;
- 6.14 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, Winterflood, the AIFM, the Investment Manager or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;
- 6.15 agree that Winterflood and the Receiving Agent are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or be responsible to you for the protections afforded to their customers;
- 6.16 warrant that the information contained in the Application Form is true and accurate;
- 6.17 agree that if you request that Ordinary Shares are issued to you on a date other than Initial Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date;
- 6.18 acknowledge that the Key Information Document prepared by the AIFM pursuant to the PRIIPs Regulation can be provided to you in paper or by means of a website, but that where you are applying under the Offer for Subscription directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the Key Information Document via the website at www.liontrust.co.uk/esgt, or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which the Key Information Document will be provided to you;
- 6.19 acknowledge that the content of this Prospectus is exclusively the responsibility of the Company and the Directors and, to the extent stated in paragraph 11.3 of Part 8 of this Prospectus, the Investment Manager, and neither Winterflood nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information published by or on behalf of the Company and will not be liable for any decision to participate in the Offer for Subscription based on any information, representation or statement contained in the Prospectus or otherwise;
- 6.20 acknowledge and understand that the Company may be required to comply with international regimes for the automatic exchange of information (including FATCA and the Common Reporting Standard) and that the Company will comply with requirements to provide information to HMRC which may be passed on to other relevant tax authorities. You agree to furnish any information and documents the Company may from time to time request; and
- 6.21 agree that you are capable, or the underlying client(s) in the case of applications on behalf of professionally-advised private investors are capable themselves, of evaluating the merits and risks of an investment in the Company and have sufficient resources to be able to bear any losses which may result from the investment.

7 Money laundering

- 7.1 You agree that, in order to ensure compliance with the Money Laundering Regulations, the Proceeds of Crime Act 2002 and any other applicable regulations, the Receiving Agent may at its absolute discretion require verification of identity of you (the “holder(s)”) as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:
- 7.1.1 the owner(s) and/or controller(s) (the “**payor**”) of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker’s draft or cheque; or
 - 7.1.2 where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons, such person or persons.
- 7.2 Any delay or failure to provide the necessary evidence of identity may result in your application being rejected or delays in crediting CREST accounts or the despatch of documents.
- 7.3 Without prejudice to the generality of this paragraph 7, verification of the identity of holders and payors will be required if the value of the Ordinary Shares applied for, whether in one or more applications considered to be connected, exceeds the Sterling equivalent of €15,000. If you use a building society cheque or banker’s draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker’s draft and adds its stamp.
- 7.4 Where an application (or total investment when making a series of applications) is more than the Sterling equivalent of €15,000, the Receiving Agent will carry out checks to verify an applicant’s identity, using the Experian Credit Reference system. The Experian checks have no impact on an applicant’s credit score or their ability to obtain credit and simply carry out a ‘soft search’ on the applicant’s credit report, which leaves only an ‘enquiry footprint’ in order that the applicant can see who has enquired (the enquiry simply shows that an identity check was carried out in respect of an investment, to comply with the Money Laundering Regulations).
- 7.5 This Experian Credit Reference check is sufficient to verify the identity of most applicants. In the few cases where that check isn’t able to verify the identity of an applicant, the Receiving Agent may need to contact the applicant to request documentary evidence of their identity (typically this will require an original or certified copy of a passport, driving licence and a recent bank statement).

8 Investors not in United Kingdom, Channel Islands or Isle of Man

If you receive a copy of this Prospectus or an Application Form in any territory other than the UK, the Channel Islands and the Isle of Man you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK and wish to make an application for Ordinary Shares under the Offer for Subscription, to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

None of the Ordinary Shares have been or will be registered under the laws of Canada, Japan, Australia, the Republic of South Africa or under the US Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, Australia or the Republic of South Africa. Accordingly, unless an exemption under such act or laws is applicable, the Ordinary Shares may not be offered, sold or delivered, directly or indirectly, within Canada, Japan, Australia, the Republic of South Africa or the United States (as the case may be). If you subscribe for Ordinary Shares you will, unless the Company and the Registrar agree otherwise in writing, be deemed to represent and warrant to the Company that you are outside the United States, not a US Person or a resident of the United States, Canada, Japan, Australia, the Republic of South Africa or a corporation, partnership or other entity organised under the laws of the United States or Canada (or any political subdivision of either), Japan, the Republic of South Africa or Australia and that you are not subscribing

for such Ordinary Shares for the account of any person in the United States, any US Person or any resident of the United States, Canada, Japan, the Republic of South Africa or Australia and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into the United States, Canada, Japan, the Republic of South Africa or Australia or to any US Person or resident in Canada, Japan, the Republic of South Africa or Australia. Unless the Company and the Registrar agree otherwise in writing, no application will be accepted if it shows the applicant or a payor having an address in the United States, Canada, Japan, the Republic of South Africa or Australia.

9 Data protection

- 9.1 Each applicant acknowledges that it has been informed that, pursuant to the General Data Protection Regulation 2016/679 (the “**DP Legislation**”) the Company and/or the Registrar may hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data may be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company’s privacy notice, which is available for review on the Company’s website at www.liontrust.co.uk/esgt (the “**Privacy Notice**”), including for the purposes set out below (collectively, the “**Purposes**”), being to:
- 9.1.1 process the personal data to the extent and in such manner as is necessary for the performance of its obligations under its service contract, including as required by or in connection with the applicant’s holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on the applicant;
 - 9.1.2 communicate with the applicant as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;
 - 9.1.3 to comply with the legal and regulatory obligations of the Company, and/or the Registrar; and
 - 9.1.4 process the personal data for the Registrar’s internal administration.
- 9.2 In order to meet the Purposes, it will be necessary for the Company and the Registrar to provide personal data to:
- 9.2.1 third parties located either within, or outside of the UK and/or the EEA, if necessary for the Registrar to perform its functions, or when it is necessary for its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or
 - 9.2.2 its affiliates, the Company (in the case of the Registrar) or the AIFM or the Investment Manager and their respective associates, some of which may be located outside of the UK and the EEA.
- 9.3 Any sharing of personal data by the Company or the Registrar with other parties will be carried out in accordance with the DP Legislation and as set out in the Privacy Notice.
- 9.4 By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined in the DP Legislation). In providing the Registrar with information, each applicant hereby represents and warrants to the Registrar that it has (i) notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company’s Privacy Notice and any other data protection notice which has been provided by the Company and/or the Registrar; and (ii) where consent is legally required under applicable DP legislation, it has obtained the consent of any data subject to the Registrar and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out above in this paragraph 9).
- 9.5 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is a natural person, such person has read and understood the terms of the Privacy Notice.

- 9.6 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is not a natural person it represents and warrants that:
- 9.6.1 it has brought the Privacy Notice to the attention of any underlying data subjects on whose behalf or account the applicant may act or whose personal data will be disclosed to the Company as a result of the applicant agreeing to subscribe for Ordinary Shares; and
 - 9.6.2 the applicant has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.
- 9.7 Where the applicant acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to the Offer for Subscription:
- 9.7.1 comply with all applicable data protection legislation;
 - 9.7.2 take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;
 - 9.7.3 if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
 - 9.7.4 it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the applicant to comply with the provisions set out above.

10 Miscellaneous

- 10.1 To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer for Subscription.
- 10.2 The rights and remedies of the Company and the Receiving Agent under these terms and conditions of application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 10.3 The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. on 29 June 2021. In that event, the new closing time and/or date will be notified through a Regulatory Information Service.
- 10.4 The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Initial Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest at the risk of the applicant.
- 10.5 You agree that Winterflood and the Receiving Agent are acting for the Company in connection with the Initial Issue and no-one else and that neither Winterflood nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or otherwise in relation to the Initial Issue or for providing the protections afforded to their customers.
- 10.6 Save where the context requires otherwise, terms used in these terms and conditions of application bear the same meaning as where used elsewhere in this Prospectus.

- 10.7 Please contact Equiniti on 0371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of an investment nor give any financial, legal or tax advice.

PART 11

DEFINITIONS

Act	the Companies Act 2006, as amended
Admission	Initial Admission and any Subsequent Admission, as the context requires
Advisory Committee	the advisory committee of the Investment Manager details of which are set out on page 50 of this Prospectus
AIC	the Association of Investment Companies
AIC Code	the AIC's Code of Corporate Governance, as amended from time to time
AIFM	Liontrust Fund Partners LLP
AIFM Agreement	the AIFM agreement dated 26 May 2021 between the Company and the AIFM, summarised in paragraph 6 of Part 8 of this Prospectus
Application Forms and each an Application Form	the application forms on which applicants may apply for Ordinary Shares under the Offer for Subscription attached as the Appendix to this Prospectus
Articles	the articles of association of the Company as at the date of this Prospectus or, in the context of the Placing Programme (following completion of the Initial Issue), as at the date of the relevant issue under the Placing Programme
Auditors	BDO LLP or such other auditor as the Company may appoint from time to time
Business Day	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business
C Shares	C shares of 10 pence each in the capital of the Company having the rights and restrictions set out in paragraph 3 of Part 8 of this Prospectus
certificated form	not in uncertificated form
CFDs	contracts for differences
China A Shares	shares issued by mainland China-based companies listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange
Company	Liontrust ESG Trust PLC
Companies Act or Act	the Companies Act 2006 as amended
Company Secretary	JTC (UK) Limited
CREST	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
CREST Manual	the compendium of documents entitled CREST Manual issued by Euroclear from time to time comprising the CREST Reference Manual, the CREST Central Counterparty Services Manual, the

	CREST International Manual, CREST Rules, CCSS Operations Manual and CREST Glossary of Terms
CREST Regulations or Uncertificated Securities Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
Deferred Shares	Deferred shares of 1 penny each in the capital of the Company arising on Conversion (as defined in paragraph 3 in Part 8 of this Prospectus)
Depository	The Bank of New York Mellon (International) Limited
Depository Agreement	the depository agreement dated 26 May 2021, between the Company, the AIFM and the Depository, summarised in paragraph 6.3 of Part 8 of this Prospectus
Directors or Board	the board of directors of the Company
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
EEA	the European Economic Area
EEA Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
Emerging Markets	has the meaning set out in the investment policy of the Company at paragraph 3 of Part 1 of this Prospectus
ERISA	the United States Employee Retirement Income Security Act of 1974, as amended
ESG	environmental, social and governance
EU or European Union	the European Union first established by the treaty made at Maastricht on 7 February 1992
EU AIFM Directive	Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers
Euro or €	the currency adopted by those nations participating in the third stage of the economic and monetary union provisions of the Treaty on European Union, signed at Maastricht on 7 February 1992
Euroclear	Euroclear UK & Ireland Limited
FATCA	the US Foreign Account Tax Compliance Act
FCA	the Financial Conduct Authority
FRS 102	the Financial Reporting Standard applicable in the UK and Republic of Ireland
FSMA	the Financial Services and Markets Act 2000, as amended
Gross Assets	the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
Gross Proceeds	the gross cash proceeds of the Initial Issue
HMRC	HM Revenue & Customs

Initial Admission	the admission of the Ordinary Shares to be issued pursuant to the Initial Issue: (i) to the premium segment of the Official List; and (ii) to trading on the premium segment of the London Stock Exchange's main market, becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
Initial Issue	together the Initial Placing, the Offer for Subscription and the Intermediaries Offer
Initial Placing	the conditional placing of Ordinary Shares by Winterflood at the Issue Price in respect of the Initial Issue pursuant to the Placing Agreement
Intermediaries	the entities listed in paragraph 15 of Part 8 of this Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus and " Intermediary " shall mean any one of them
Intermediaries Booklet	the booklet entitled "Liontrust ESG Trust PLC – information for Intermediaries" and containing, amongst other things, the Intermediaries Terms and Conditions
Intermediaries Offer	the offer of Ordinary Shares by the Intermediaries to retail investors
Intermediaries Terms and Conditions	the terms and conditions agreed between the Company and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet
Investment	an investment of the Company made in accordance with the Company's investment policy
Investment Management Agreement	the investment management agreement dated 21 May 2021, between the AIFM and the Investment Manager summarised in paragraph 6.2 of Part 8 of this Prospectus
Investment Manager	Liontrust Investment Partners LLP
ISA	an individual savings account operated in accordance with the UK Individual Savings Account Regulations 1998, as amended
Issue	the Initial Issue and any Subsequent Placing under the Placing Programme
Issue Price	100 pence per Ordinary Share
Key Information Document	the key information document relating to the Ordinary Shares produced pursuant to the PRIIPs Regulation as amended and updated from time to time
Liontrust Group or Liontrust	the Investment Manager and other companies in its group for the purposes of section 606 of the Corporation Tax Act 2010
Liontrust Sustainable Future Funds or SF Funds or Sustainable Future Funds	the range of Sustainable Future Funds managed by the Sustainable Investment Team
Listing Rules	the listing rules made by the FCA under section 73A of FSMA
London Stock Exchange	London Stock Exchange plc

MAR or Market Abuse Regulation	the UK version of on market abuse which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended the Market Abuse Regulation (EU) No. 596/2014
MIFID II	the UK version of Directive 2014/65/EU on markets in financial instruments and any secondary legislation, rules, regulations and procedures made pursuant thereto up to 31 December 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
Minimum Gross Proceeds	the minimum gross proceeds of the Initial Issue, being £100 million
Money Laundering Regulations	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
MSCI	MSCI Inc. and/or its subsidiaries
MSCI Emerging Markets Index	the MSCI Emerging Markets Index compiled by MSCI that as at the date of this Prospectus captures 28 developing countries
MSCI World Index	the MSCI World Index compiled by MSCI that as at the date of this Prospectus captures large and mid-cap representation across 23 Developed Markets with 1,582 constituents and covers approximately 85 per cent. of the free float-adjusted market capitalisation in each country
NAV or Net Assets or Net Asset Value	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time
NAV per Share or Net Asset Value per Share	the NAV attributable to any class of Shares divided by the number of Shares of the relevant class in issue (other than any Shares of the relevant class held in treasury), and “NAV per Ordinary Share” shall be construed accordingly
Non-Qualified Holder	shall have the meaning set out in the Articles
NURS	non-UCITS retail schemes
Offer for Subscription	the offer for subscription of Ordinary Shares at the Issue Price, as described in this Prospectus
Official List	the official list maintained by the FCA
Ordinary Shares	ordinary shares of nominal value 1 penny each in the capital of the Company
Overseas Persons	persons who are resident in, or who are citizens of, or who have registered addresses in, territories other than the UK
Placee	a person subscribing for Shares under a Placing
Placing	the Initial Placing or any Subsequent Placing
Placing Agreement	the conditional agreement between the Company, the Directors, the AIFM, the Investment Manager and Winterflood, summarised in paragraph 6.1 of Part 8 of this Prospectus
Placing Programme	the proposed programme of Subsequent Placings of Shares on the terms set out in this Prospectus
Placing Programme Price	the applicable price at which new Ordinary Shares or C Shares will be issued to prospective investors under a Subsequent Placing, as described in Part 6 of this Prospectus

PRI	Principles for Responsible Investment
PRIPs Regulation	the UK version of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products and its implementing and delegated acts which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019
PROD Sourcebook	the Product Intervention and Product Governance Sourcebook contained in the FCA's Handbook of Rules and Guidance
Prospectus	this document
Prospectus Regulation	the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Prospectus (Amendment, etc) (EU Exit) Regulations 2019
Prospectus Regulation Rules	the rules and regulations made by the FCA under Part VI of FSMA as amended from time to time
Receiving Agent or Equiniti	Equiniti Limited
Receiving Agent Agreement	the receiving agent services agreement dated 26 May 2021 between the Company and the Receiving Agent summarised in paragraph 6.6 of Part 8 of this Prospectus
Redeemable Preference Shares	redeemable preference shares of £1.00 each in the capital of the Company (no such shares are available for subscription pursuant to this Prospectus or otherwise)
Reference Index	the MSCI World Index
Register	the register of members of the Company
Registrar or Equiniti	Equiniti Limited
Registrar Agreement	the agreement dated 26 May 2021 between the Company and the Registrar for the provision of share registration services summarised in paragraph 6.5 of Part 12 of this Prospectus
Regulation S	Regulation S under the US Securities Act
Regulatory Information Service	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
Relevant State	each member state of the EEA
SDGs	the sustainable development goals of the United Nations
Shareholder	a holder of Shares
Shares	Ordinary Shares and/or, where the context requires, any C Shares issued by the Company
Sterling, £, pence or p	the lawful currency of the UK
Stock Connects	the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect

Subsequent Admission	the admission of the Shares to be issued pursuant to the Placing Programme to: (i) the premium segment of the Official List; and (ii) trading on the premium segment of the London Stock Exchange's main market, becoming effective in accordance with the Listing Rules and the admission and disclosure standards of the London Stock Exchange
Subsequent Placing	any placing of Shares pursuant to the Placing Programme
Sustainable Companies	has the meaning given to in the first paragraph of the Company's investment policy as set out in paragraph 3 of Part 1 of this Prospectus
Sustainable Future or SF	the investment process which is implemented by the Sustainable Investment Team
Sustainable Investment Team or Team	the Liontrust investment team which applies the Sustainable Future Investment process and manage the Sustainable Future Funds
Takeover Code	The City Code on Takeovers and Mergers
UCITS	undertakings for collective investment in transferable securities, within the meaning of Directive 2009/65/EC of the European Parliament and Council of 13 July 2009
UK	the United Kingdom of Great Britain and Northern Ireland
UK AIFM Regime	together the Alternative Investment Fund Managers Regulations 2013 (as amended by the Alternative Investment Fund Managers (Amendment etc) (EU Exit) Regulations 2019) and the Investment Funds Sourcebook forming part of the FCA Handbook
UK Corporate Governance Code	the UK Corporate Governance Code as published by the Financial Reporting Council from time to time
UN Sustainable Development Goals or SDG	an action plan adopted by all 193 United Nations Member States in 2015, comprising 17 goals aimed to eradicate poverty and hunger, fight inequality, tackle climate change and achieve sustainable development globally by 2030
uncertificated or in uncertificated form	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
United States or US	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
US Investment Advisers Act	the United States Investment Advisers Act of 1940, as amended
US Investment Company Act	the United States Investment Company Act of 1940, as amended
US Person	a US Person as defined for the purposes of Regulation S
US Securities Act	the United States Securities Act of 1933, as amended
US Tax Code	the US Internal Revenue Code of 1986, as amended
Winterflood	Winterflood Securities Limited

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APPENDIX

APPLICATION FORM

Important: before completing this form, you should read the accompanying notes.

Liontrust ESG Trust PLC

Before completing this Application Form you should read the Prospectus, including the terms and conditions set out in Part 10 of the Prospectus (*Terms and Conditions of Application under the Offer for Subscription under the Initial Issue*).

Please make your cheque or banker's draft payable to "**Equiniti Limited Re: Liontrust ESG Trust PLC Offer for Subscription**" and return it together with this form by post to Equiniti Limited, Corporate Actions, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive by no later than 11.00 a.m. on 29 June 2021.

PLEASE COMPLETE IN BLOCK CAPITALS ONLY and in BLACK INK

Section 1 — Application and Amount Payable

Number of Ordinary Shares		at 100 pence per Ordinary Share. I have attach a cheque/banker's draft for	£
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Payment Method (Tick appropriate box)		
Cheque/Banker's draft	Electronic Transfer	CREST Settlement (DVP)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section 3 – Use for Corporates

Section 4 – Use if your require any additional holders

Section 2 – First Subscription Applicant Details (Individuals)

Title						Date of Birth	D	D		M	M		Y	Y
Surname														
Full Name(s)														
Home Address														
Post Code														



Daytime Telephone	
Email Address	

Section 3 — Corporate Registration Details

Company Name																
Contact Name																
Company Address																
Post Code																
Daytime Telephone																
Email Address																
Company Registered Number																

Section 4 – Joint Subscription Applicants (You may apply with up to 3 joint subscription applicants)

Second Subscription Applicant

Title						Date of Birth	D	D		M	M		Y	Y
Surname														
Full Name(s)														
House Number						Post Code								

Third Subscription Applicant

Title						Date of Birth	D	D		M	M		Y	Y
Surname														
Full Name(s)														
House Number						Post Code								

Fourth Subscription Applicant

Title						Date of Birth	D	D		M	M		Y	Y
Surname														
Full Name(s)														
House Number						Post Code								

Section 5 – Settlement

(a) *Cheque/Banker's Draft Details*

Attach your cheque or banker's draft for the exact amount shown in Section 1 made payable to "Equiniti Limited Re: Liontrust ESG Trust PLC Offer for Subscription".

(b) *Electronic Transfer*

Please enter below the sort code and account number of the bank and branch you will be instructing to make such payment for value by 11.00 a.m. on 29 June 2021 together with the name and number of the account to be debited with such payment and the branch contact details.

Sort Code:		Account Name:	
Account Number:		Contact name at branch and telephone number:	
Reference Number*			

- **Reference Number must be obtained from Equiniti Limited before submitting this Application Form as detailed in the Notes on how to complete the Application Form below. Note you will need to send in supporting documentation showing payment came from the above bank account.**

(c) *Settlement by Delivery Versus Payment (DVP)*

Only complete this section if you choose to settle your application within CREST, that is delivery versus payment (DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching. (BLOCK CAPITALS)

CREST Participant ID:							
CREST Designation:							
CREST Participant's Name:							

The Receiving Agent will contact you via email to confirm your allocation and provide you with the relevant details which you will need to input by no later than 11.00 a.m. on 29 June 2021. **Ensure you provide an email contact address in Section 2 or 3 (as applicable) of the Application Form.**

If you would like to settle your commitment within CREST, you or your settlement agent's custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per share, following the CREST matching criteria set out below:

Trade date: 1 July 2021

Settlement date: 5 July 2021

Company: Liontrust ESG Trust PLC

Security description: ordinary shares of 1 penny

SEDOL: BMBVPL1

ISIN: GB00BMBVPL14

Equiniti Limited Counterparty details:

Participant ID: 6RA06

If you wish to settle by DVP, you will need to ensure that you key the trade as instructed by the Receiving Agent by no later than 11.00 a.m. on 29 June 2021.



You must also ensure that you or your settlement agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Section 6 – Shares issued in CREST – Payment by cheque

Please complete this section only if you require your Ordinary Shares to be credited to your CREST account, but paying by cheque.

CREST Participant ID:					
CREST Designation:					
CREST Participant's Name:					

Section 7 – Signature

By signing below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 10 of the Prospectus (*Terms and Conditions of Application under the Offer for Subscription under the Initial Issue*) and to have given the warranties and undertakings set out therein.

Execution by Individuals:

First Subscription Applicant Signature		Date	
Second Subscription Applicant Signature		Date	
Third Subscription Applicant Signature		Date	
Fourth Subscription Applicant Signature		Date	

Execution by a Company:

Executed by (Name of Company)			
Name of Authorised signatory:		Name of Authorised signatory:	
Position of Authority:		Position of Authority:	
Signature:		Signature:	
Date:		Date:	

A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

Section 8 – Verification of identity

If the aggregate subscription price for the Ordinary Shares which you are applying for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent) or the Company (or any of its agents)

deems it necessary, at its absolute discretion, in order to ensure compliance with the CDD Rules, you must ensure that Section 8.1, 8.2 or 8.3 (as appropriate) is completed.

Section 8.1 Professional Advisers and Intermediaries

This Section 8.1 should be completed if an application for Ordinary Shares is being made on behalf of a client by a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if outside the United Kingdom, another appropriately authorised independent financial adviser).

Name of professional adviser or intermediary (in full):			
Address (in full):			
		Post Code:	
Contact Name:		Telephone Number:	

Declaration by the professional adviser or intermediary

To: Liontrust ESG Trust PLC, Winterflood Securities Limited and Equiniti Limited

We are a financial adviser authorised under the Financial Services and Markets Act 2000 applying for Ordinary Shares on behalf of one or more clients ("relevant clients"). As such, we hereby undertake to:

1. complete anti-money laundering verification in respect of each relevant client and to inform you of any unsatisfactory conclusion in respect of any relevant client;
2. to keep records to verify the name, identity, place of birth, residential address, occupation and signature of each relevant client; and
3. to supply copies of any such records to you as you may require.

We are governed in the conduct of our investment business and in respect of conducting anti-money laundering verification by the following regulatory or professional body (and the reference or other official number allocated to us by that body is included in the box below).

(Full name and country of operation of regulatory or professional body)	
(Reference or other official number)	

If you require further information about our procedures or any of our relevant clients, please contact the person named as the contact in the first box in this Section 8.1.

Date:		Official stamp (if any):
Signature:		
Full Name:		
Title/position:		



Section 8.2 Reliable Introducer

(If you are not a professional adviser or intermediary to whom Section 8.1 applies, the completion and signing of the declaration in this Section 8.2 by a suitable person or institution may avoid a request for the presentation of the identity documents detailed in Section 8.3 of this form).

(The declaration below may only be signed by a person or institution (such as a bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "firm") which is itself subject in its own country to operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom. Acceptable countries include Austria, Belgium, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Iceland, Isle of Man, Italy, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland and the United Kingdom.)

Declaration by the firm

To: Liontrust ESG Trust PLC, Winterflood Securities Limited and Equiniti Limited

With reference to the applicant(s) detailed in Section 2 and, in the case of joint applicants, Section 4 above, all persons signing Section 7, we hereby declare that:

1. we operate in one of the above mentioned countries and our firm is subject to anti-money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in the United Kingdom;
2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
3. each of the relevant persons is known to us in a business capacity and we hold valid identity documentation in respect of each of them and we undertake to immediately provide to you copies thereof on demand;
4. we confirm the accuracy of the names and residential/business address(es) of the applicant(s) named in Section 2 and, in the case of joint applicants, Section 4 above;
5. having regard to all local anti-money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares to which this application relates; and
6. where the payor and applicant(s) are different persons we are satisfied as to the relationship between them and the reason for the payor being different to the applicant(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of the firm or its officials.

Date:		Official stamp (if any):
Signature:		
Full Name:		
Title/position:		

I hereby declare that I have authority to bind the firm, the details of which are set out below:

Name of firm (in full):			
Address (in full):			
	Post Code:		
Contact Name:		Telephone Number:	

Full name of firm's regulatory authority:	
Website address or telephone number of regulatory authority:	
Firm's registered, licence or other official number:	

Section 8.3 Applicant identity information

(Only complete this Section 8.3 if the aggregate subscription price payable under your application (whether in one or more applications) is greater than €15,000 (or its Sterling equivalent), and neither of Sections 8.1 and 8.2 can be completed) or if the Company (or any of its agents) deems it necessary, at its absolute discretion, in order to ensure compliance with the CDD Rules.)

In accordance with internationally recognised standards for the prevention of money laundering, the relevant documents and information listed below must be provided (please note that Equiniti Limited and the Company reserve the right to ask for additional documents and information).

	Tick to indicate the documents provided				
	Applicant				Payor
	1	2	3	4	
A. For each applicant who is an individual enclose:					
(i) a certified clear photocopy of one of the following identification documents which bears both a photograph and the signature of the person: (a) current passport; (b) Government or Armed Forces identity card; or (c) driving licence; and					
(ii) certified copies of at least two of the following documents which purport to confirm that the address(es) given in Section 2 and, in the case of joint applicants, Section 4 is the applicant's residential address: (a) a recent (but no older than 3 months) gas, electricity, water or telephone (not mobile) bill; (b) a recent bank statement; (c) a council tax bill; or (d) similar bill issued by a recognised authority; and					



(iii)	if none of the above documents show their date and place of birth, enclose a note of such information; and					
(iv)	details of the name and address of their personal bankers from which the Registrar or the Company may request a reference, if necessary.					
B.	For each applicant that is a company (a “holder company”) enclose:					
(i)	a certified copy of the certificate of incorporation of the holder company; and					
(ii)	the name and address of the holder company’s principal bankers from which the Registrar or the Company may request a reference, if necessary; and					
(iii)	a statement as to the nature of the holder company’s business, signed by a director; and					
(iv)	a list of the names and residential addresses of each director of the holder company; and					
(v)	for each director provide documents and information similar to that mentioned in A(i) to (iv) above; and					
(vi)	a copy of the authorised signatory list for the holder company; and					
(vii)	a list of the names and residential/registered addresses of each ultimate beneficial owner interested in more than 3% of the issued share capital of the holder company and, where a person is named, also enclose the documents and information referred to in C below and, if another company is named (a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.					
C.	For each individual named in B(vii) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(i) to (iv)					

D. For each beneficiary company named in B(vii) as a beneficial owner of a holder company enclose:					
(i) a certificated copy of the certificate of incorporation of that beneficiary company; and					
(ii) a statement as to the nature of that beneficiary company's business signed by a director; and					
(iii) the name and address of the beneficiary company's principal bankers from which the Registrar or the Company may request a reference, if necessary; and					
(iv) enclose a list of the names and residential/registered address of each beneficial owner owning more than 3% of the issued share capital of that beneficiary company.					
E. If the payor is not an applicant and is not a bank providing its own cheque or banker's draft on the reverse of which is shown details of the account being debited with such payment (see settlement section on how to complete this form) enclose:					
(i) if the payor is a person, for that person the documents mentioned in A(i) to (iv); or					
(ii) if the payor is a company, for that company the documents mentioned in B(i) to (vii); and					
(iii) an explanation of the relationship between the payor and the applicant(s).					



NOTES ON HOW TO COMPLETE THE APPLICATION FORM

It is essential that you complete all parts of the Application Form in accordance with the following instructions.

Application and Amount Payable

Insert in Section 1 the number of Ordinary Shares you wish to apply for in Liontrust ESG Trust PLC. You must also insert your total payment. Your cheque or banker's draft should be for an amount that represents 100 pence multiplied by the number of Ordinary Shares for which you are applying.

Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, check the identity of the person by whom or on whose behalf an Application Form is lodged with payment, in excess of the sterling equivalent of €15,000 of Ordinary Shares.

The Registrar may therefore undertake electronic searches for the purposes of verifying identity. To do so the Receiving Agent may verify the details against the subscription applicant's identity, but also may request further proof of identity. the Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

If an application is made by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Application Form. The person lodging the Application Form with payment (the 'subscription applicant'), including any person who appears to the Receiving Agent to be acting on behalf of some other person, shall thereby be deemed to agree to provide the Receiving Agent and/or the Company with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

Submission of an Application Form will constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of the remittance and an undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent and/or the Company as being required for the purpose of the Money Laundering Regulations.

If the Receiving Agent and/or the Company determines that the verification of identity requirements apply to any subscription applicant or application, the relevant Ordinary Shares (notwithstanding any other term of the Offer for Subscription) will not be issued to the relevant subscription applicant unless and until the verification of identity requirements have been satisfied in respect of that subscription applicant or application. the Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any subscription applicant or application and whether such requirements have been satisfied, and none of the Receiving Agent, the Company nor Winterflood Securities Limited will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, the Registrar has not received evidence satisfactory to it as aforesaid, the Company and Winterflood Securities Limited may, in their absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, or, as applicable, the relevant account of the bank or building society from which the relevant funds were debited.

Subscription Applicant Details

Insert your title, full name, address with postcode, date of birth, daytime telephone number and e-mail address in BLOCK CAPITALS in black ink in Section 2.

Applications can only be made by persons over the age of 18.

Corporate Details

A corporate body wishing to apply for Ordinary Shares should insert the company name, address, daytime telephone number, their e-mail address and the company registered number in BLOCK CAPITALS and in black ink in Section 3.

Joint Subscription Applicants

You may apply with up to three joint subscription applicants. Joint subscription applicants should insert their title, full name, date of birth, house number and post code in Section 4 in BLOCK CAPITALS and in black ink.

Signature

By signing the Application Form you are deemed to have read the Prospectus and agreed to the terms and conditions in Part 10 of the Prospectus (*Terms and Conditions of Application under the Offer for Subscription under the Initial Issue*) and to have given the warranties and undertakings set out therein.

Execution by Individuals:

Please sign and date Section 7. All subscription applicants must sign.

The Application Form may only be signed by someone other than the Subscription Applicant(s) named in Section(s) 2, 3 or 4 if duly authorised to do so. In such cases the original Power of Attorney (or other relevant legal document) or duly certified copy thereof must be enclosed for inspection.

Execution by a Company:

A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

Settlement

Payments by cheque or banker's draft

Attach a cheque or banker's draft for the exact amount shown in Section 1 of the Application Form to your completed Application Form. Your cheque or banker's draft must be made payable to "Equiniti Limited re: Liontrust ESG Trust PLC Offer for Subscription"

Your payment must relate solely to this application. No receipt will be issued.

Payments must be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to "Equiniti Limited Re: Liontrust ESG Trust PLC Offer for Subscription". Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted details of the name of the account holder and have either added the building society or bank branch stamp or have provided a supporting letter confirming the source of funds. Post-dated cheques will not be accepted.

The account name should be the same as that shown on the application.

Payments by electronic transfer

If you wish to pay by electronic transfer, payments must be made by CHAPS in Sterling. Payments must be made for value by 11.00 a.m. on 29 June 2021. Please contact Equiniti (acting as receiving agent) by email at offer@equiniti.com for full bank details. The Receiving Agent will then provide you with a unique reference number which must be used when sending payment. **The reference number must also be inserted in Section 5(b) of the Application Form.** By clearly writing the Reference Number on the Application Form this will enable the Registrar to link the payments. For any payments made by

electronic transfer a copy of the bank statement showing the transaction will be required by the Receiving Agent. Bank Statement must show the same name as the applicant and shares will not be credited until such documentation is received.

CREST settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Initial Admission. Settlement of transactions in those Ordinary Shares will normally take place within the CREST system.

The Application Form contains details of the information which the Receiving Agent will require from you in order to settle your commitment within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for the Receiving Agent to match to your CREST account, the Receiving Agent will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with the Receiving Agent, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by the Receiving Agent in connection with CREST.

The person named for registration purposes in your Application Form (which term shall include the holder of the relevant CREST account) must be: (a) the person procured by you to subscribe for or acquire the relevant Ordinary Shares; or (b) yourself; or (c) a nominee of any such person or yourself, as the case may be. Neither the Receiving Agent nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. The Receiving Agent, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned by you or your settlement agent/custodian of a matching or acceptance instruction to that CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price through the CREST system upon the settlement date.

By returning the Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 5 July 2021 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at a rate equal to the London Inter-Bank Offered Rate for seven day deposits in Sterling plus two per cent. per annum.

The Receiving Agent will contact you via email by the morning of 1 July 2021 to confirm your allocation and provide you with the relevant details which you will need to input by no later than 11.00 a.m. on 1 July 2021. Ensure you provide an email contact address in Section 2 of the Application Form.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade date: 1 July 2021

Settlement date: 5 July 2021

Company: Liontrust ESG Trust PLC

Security description: ordinary shares of 1 penny

SEDOL: BMBVPL1

ISIN: GB00BMBVPL14

Equiniti Limited Counter party details:

Participant ID: 6RA06

If you wish to settle by DVP, you will need to ensure that you key the trade as instructed by the Registrar by no later than 11.00a.m. on 29 June 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

PLEASE AFFIX YOUR CHEQUE OR BANKER'S DRAFT TO THE APPLICATION FORM

If you have any questions relating to the Offer for Subscription or completion and return of your Application Form, please contact the Equiniti Helpline on 0371 384 2050 (from inside the UK) or +44 371 384 2050 (if calling from outside the UK). The Helpline is open from 8.30 a.m. to 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales). Calls to the Helpline from outside the UK will be charged at the applicable international rate. Please note that calls may be recorded and randomly monitored for security and training purposes. Please note that for legal reasons, the Helpline cannot provide advice on the merits of the Offer for Subscription nor give financial, tax, investment or legal advice.

